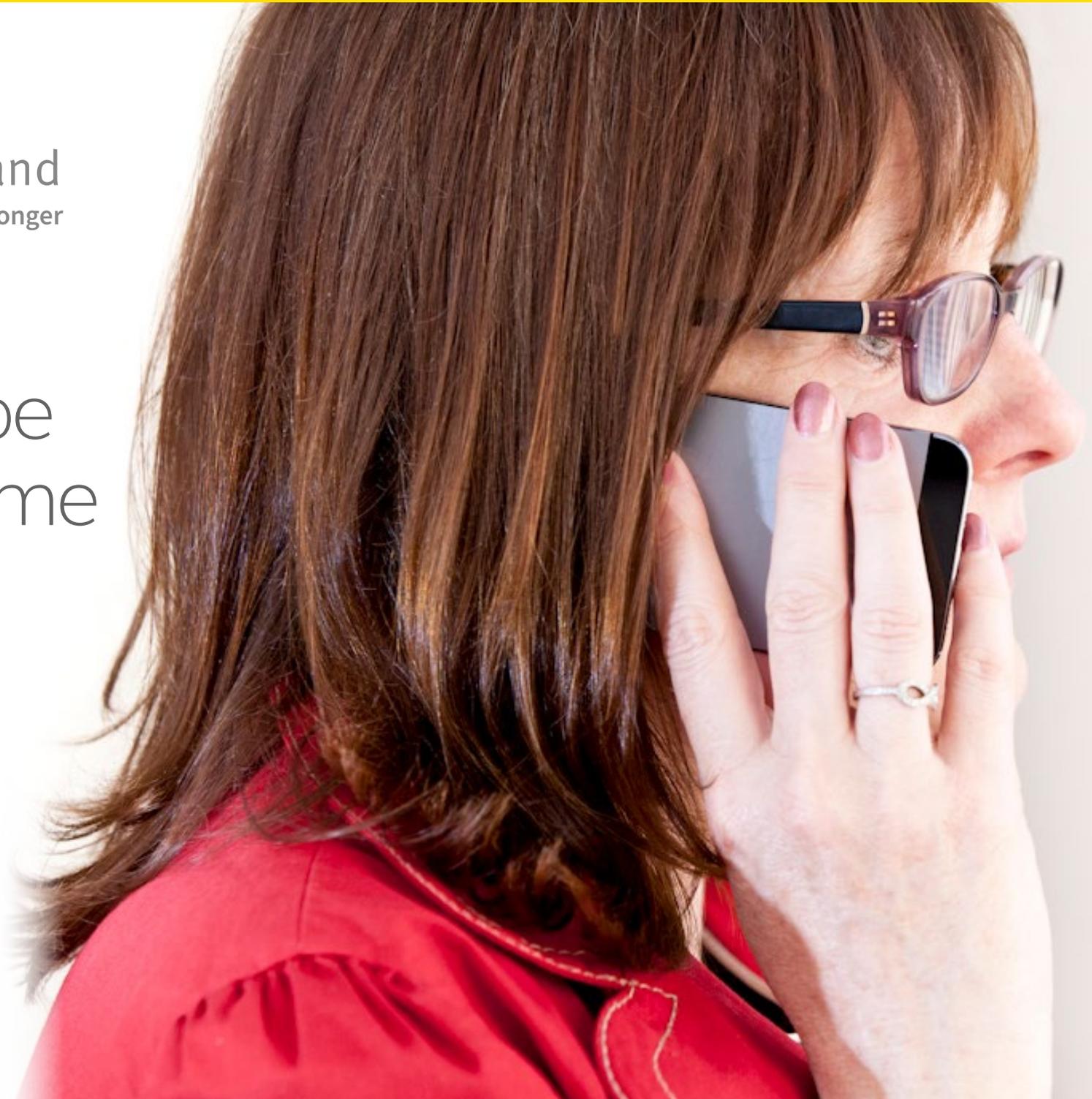


Anyone can be a victim of crime

**Supporting people affected by
crime and keeping them at the
heart of justice in Scotland**

ANNUAL REPORT & ACCOUNTS 2016/2017



VSS is the largest provider of services to victims and witnesses of crime across Scotland.

In Scotland 1 in 10 people were a victim of crime, yet only 246,243 crimes were reported to the police.

From our President,
HRH, The Princess Royal



Crime affects everyone in society. Behind every statistic is a person, a family, a life influenced and sometimes completely changed by the experience. For the last 32 years, Victim Support Scotland (VSS) has been providing much needed support to victims and witnesses to help them through their experience. Without the assistance of VSS, people affected by crime in Scotland are unlikely to receive the support and help they deserve.

People show their support for VSS in many ways and this year the Walk a Mile campaign brought staff, volunteers and supporters together from across the country, encouraging investment in their own health and wellbeing, as well as raising awareness of the excellent work of VSS. I was also particularly pleased to hear of the work undertaken to support volunteers, via a Volunteer Dynamic model, resulting in VSS becoming one of the first charities in Scotland to be awarded a Volunteer Charter award, thus highlighting the value of the model and the dedication of volunteers to improve individuals' lives.

Throughout the year VSS has been thoroughly assessing its services and over the next few years will embark upon a major transformation programme to continue to stay relevant to the needs of the people of Scotland. I look forward to seeing the results to ensure that the support of victims and witnesses in Scotland continues to be strengthened.

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Chair and ACEO Report

In year 2 of our corporate plan Victim Support Scotland (VSS) has continued to work towards its four operational objectives to help us realise our vision of Surviving Crime: making people stronger by:

- ▶ Supporting victims and witnesses
- ▶ Investing in our people
- ▶ Improving rights
- ▶ Building for our future

We have been working hard to build a sustainable organisation, undertaking a major review of our frontline services, costs and estate. This has provided us with a secure platform to build on to ensure we have a modern, flexible organisation able to reach more people and to deliver services for new and emerging crime types. This year a key priority has been the development of staff and volunteers with a focus on learning, collaborative working and engagement across our network.

We have also seen significant work undertaken to improve the delivery of good governance of VSS and associated reporting frameworks. We have started to increase our digital presence and raise awareness of our services to a wider audience.

We would like to record our thanks to Stephen Meighan who stood down in September, for his time as Chair and Trustee over a 6 year period. Also sadly, one of our trustees Jim Wilson died during the year and we wish to acknowledge the valuable contribution he made to VSS.

We also thank all volunteers, staff and supporters of VSS who work so hard to deliver services to those who need us most.



Alastair MacDonald
Chair



Susan Gallagher
Acting Chief Executive Officer

This year a key priority has been the development of staff and volunteers with a focus on learning, collaborative working and engagement across our network.

Trustees' Annual Report

Who we are

VSS is an independent charity. We work to relieve distress in people who are affected by a crime as a victim, witness or family member and to raise awareness of the impact of crime on individuals, communities and society. We achieve this through the dedicated work of volunteers, supported by paid staff in our Courts and all local authority areas of Scotland.



Our Purpose

To deliver a service to people affected by crime – to relieve poverty, sickness and distress suffered by those people affected by crime in Scotland and to advance public education and awareness of victim issues.

Our Vision

Surviving Crime –
Making People Stronger

Our Mission

Supporting people affected by crime and keeping them at the heart of justice in Scotland

Our Strategic Aims

Supporting victims and witnesses
Investing in our people
Improving rights
Building for our future

Our Values

Our services are provided utilising the values of being supportive, accessible, personalised and excellent.

As an employer, we act responsibly and all staff and volunteers uphold the following values in all they do – selflessness, openness, honesty, objectivity, integrity, accountability and leadership.

What we do

We ensure that the service we offer is free, independent, confidential and impartial

VSS helps victims and witnesses cope with the experience of a crime and find the strength to move on with their lives. We offer support in communities across Scotland and in every Sheriff and High Court. We offer specialist services to support people who face specific crimes including, murder, terrorism, rape and sexual assault, domestic violence and hate crime.



We are here for victims and witnesses of crime

VSS strives to make sure that everyone who suffers as a result of crime is offered support, whether or not they choose to report the crime to the police. The services we provide include access to information, emotional and practical support to fit the needs of the individual victim and witness.

We provide support through face to face meetings and via telephone support over short, medium and in some cases longer term periods. We work in partnership with other agencies to increase access to support following a crime and to help reduce the risk of becoming a victim of crime. These include other victim agencies, health, housing and financial services, businesses, locksmiths, advice and counselling services. We are available in every local authority area across Scotland and our support is provided to all adults and young people who reside in Scotland.

We provide guidance through the criminal justice system

VSS is available in every criminal court in Scotland to help provide reassurance and support to victims and witnesses attending court. VSS provides direct support and information to help ensure victims and witnesses have access to services and someone available for them during the criminal justice process. We are in direct contact with external agencies and provide guidance throughout the criminal justice process and beyond.



Help find justice

We work actively with legislators to represent the needs of victims and witnesses and promote research and needs analysis. VSS also supports the development of education awareness about victimisation and crime through work in local schools and partner agencies.

VSS benefits anyone in Scotland who has been a victim or witness to a crime. Individual victims and witnesses highlight improved health and wellbeing, increased safety and feeling better informed.

Local communities across Scotland have a decreased risk of re-victimisation and individuals are helped to re-integrate back into the community.



CASE STUDY

SUPPORT TO VICTIM OF ROMANCE SCAMMING

Sally* was single and had gone onto an online dating website to seek friendship where she struck up a bond with an American soldier. Over a period of months, they exchanged emails and other online messages. As the relationship developed further, the soldier began to ask for financial support to help him pay his household bills and over time Sally began to send money to him. The number of requests for money gradually increased and she was asked to pay £4k to help him leave the army. Sally duly paid the money. Out of the blue, she was contacted by another woman in Canada to advise that the site Sally had been on was in fact a grooming site, and that she had similarly been conned out of thousands. Sally tried to end the online contact but received an email purporting to be from a firm of solicitors demanding that she pay £10k compensation for late payments to the soldier. Sally reported the matter to the police who confirmed that a group had created a very professional looking website aimed at young men and women seeking companionship with soldiers in the US Military. The group were using profiles from dead US soldiers to bait vulnerable people. Sally was embarrassed and shocked that she had been so easily duped – both emotionally and financially. The Police passed her details to VSS and we got in touch. Sally said we were a great support to her and provided her with genuine empathy at her lowest point. She said we listened in a non-judgemental way and put her at ease. Sally could not face telling her family and friends but said speaking with VSS was a huge relief to her. She says her positive experience has given her more confidence and she no longer feels stupid. Sally has since made contact with other women affected by the same scam and they are now a very strong support network for each other.

*name changed



Model used for illustrative purposes only

Achievements and Performance

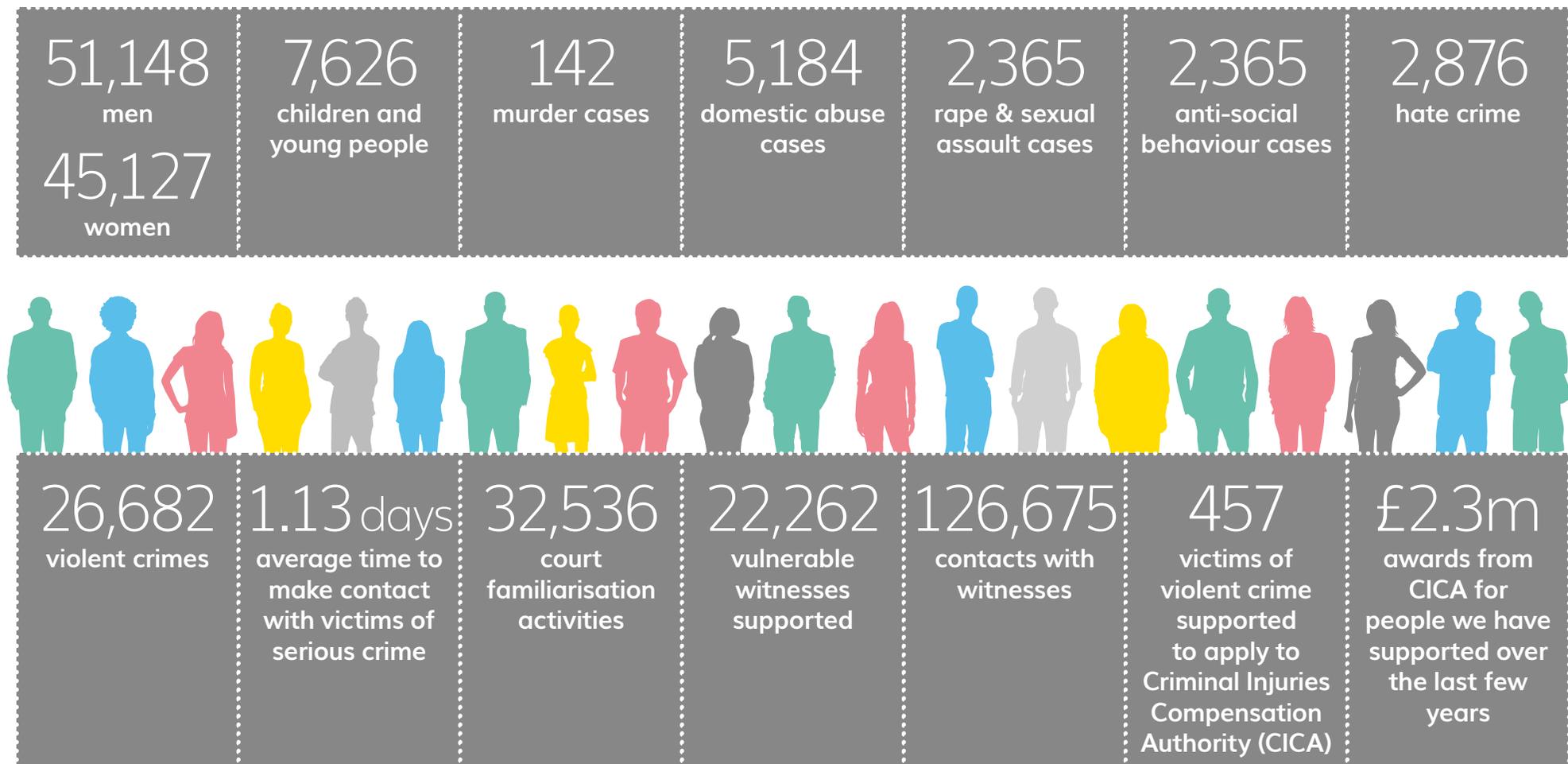
How we made a difference

Our Corporate Plan 2015/18 provides us with a roadmap towards our vision. We are now in the second year of this plan with our four overarching aims being: *Supporting victims and witnesses, Investing in our people, Improving rights & Building for our future.*

Supporting Victims and Witnesses

What have we achieved this year:

Strategic Aim	Objectives	What we did
Supporting victims and witnesses	Maintain and improve the delivery of support victims and witnesses	Offered support to over 100,000 victims
		Had 126,675 contacts with witnesses of crime
		Received 4,530 calls to our helpline
		Ran a pilot project to further develop and evidence our outcomes across North Lanarkshire, South Lanarkshire, Glasgow, our National Support Centre and the Witness Service in Hamilton
		Developed partnerships with Young Scot, Assist Trauma & Scottish Football Association
		Strengthened our business planning
		Supported people in the aftermath of terrorist activities in Tunisia



Our National Support Centre made 67,143 outbound telephone calls to victims of crime to offer initial help enabling individuals to get access to support from a local service near

them. In addition to this we also supported the extension of the Witness Service to young people attending JP Courts as part of a pilot with the Crown Office and Procurator

Fiscal Service (COPFS) and Scottish Government. We have exceeded the key performance targets set for us by the Scottish Government. Targets set were 100k referrals to the

Victim Service and 68k contacts with witnesses. Actual referrals to Victim Service stood at 104k and 127k contacts were made with witnesses in 2016/2017.

CASE STUDY

SUPPORT TO VICTIM OF DOMESTIC ABUSE

Zainab* was a victim of domestic abuse. After assaulting her on several occasions her husband was arrested, but it wasn't until he had been arrested and on remand that she felt able to tell anyone about it. Through this marriage Zainab had been totally isolated from her friends and although her family are supportive of her it was difficult as they do not live in Scotland. Zainab was looking for local support and found her way to VSS. She was very afraid of her communities' response to her actions against her husband and said she felt reassured when we provided her with a personal alarm and a door alarm. We referred her to a local domestic abuse support agency and informed her about counselling which she took up through her GP. Following a court case her husband was found guilty and although she was married to him, the UK did not recognise this marriage and she was therefore told that on his release he would be deported. Zainab was very concerned that he would be released from prison and contact her or disappear before he could be deported. VSS was able to establish he was being taken from prison to a detention centre in Portsmouth prior to deportation. Zainab felt very reassured by this and says she feels the support she is receiving from VSS really helps her because she is listened to, not judged for her actions and is starting to rebuild her life with our support.

Zainab felt very reassured by this and says she feels the support she is receiving from VSS really helps her

* Name changed

Model used for illustrative purposes only



Outcomes

All staff and volunteers work to achieve three main positive outcomes for victims and witnesses of crime, by focusing on their health and well-being, safety and information needs.



Improved health and wellbeing
people affected by crime will experience reduced stress and anxiety, and increased confidence and resilience

28,101

Increased safety and perception of safety
victims will feel safer, less vulnerable and be less likely to be re-victimised. Witnesses will feel reassured and more confident about giving evidence in court

2,106

Feeling informed
victims and witnesses will feel more informed about their case and the support available to them

75,987

Throughout this year, VSS has been working in partnership with Evaluation Support Scotland (ESS) to further develop our capacity to gather and report on outcomes. A pilot project ran across North Lanarkshire, South Lanarkshire, Glasgow, our National Support Centre (NSC) and the Witness Service in Hamilton to test a new approach to gathering outcomes.

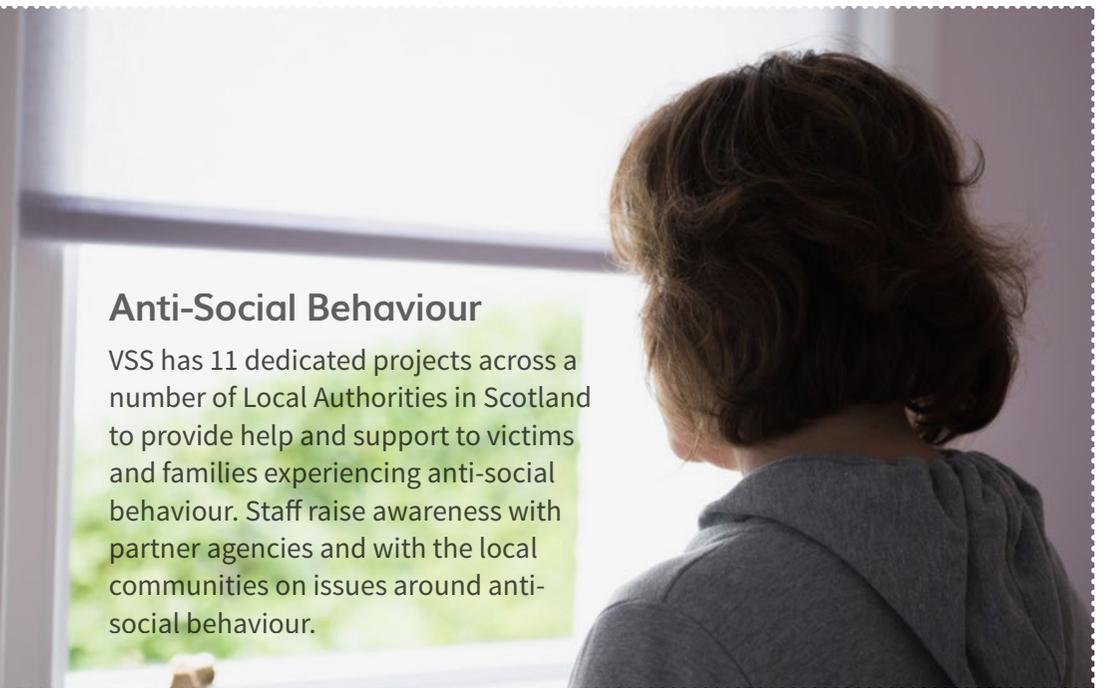
CASE STUDY

SUPPORT TO VICTIM OF ANTI-SOCIAL BEHAVIOUR

Marie* is a victim of anti-social behaviour and she approached VSS for help following her neighbour's threatening and abusive behaviour, some of which included taunts directed at her husband who had passed away some time before. VSS assisted by helping her assess and prioritise her needs, by identifying bereavement support for her child and by bringing housing agencies and partners up to speed with the issues surrounding the case. She now has a comprehensive plan in place and has said she is delighted with the progress she's making and the help provided by VSS.

Anti-Social Behaviour

VSS has 11 dedicated projects across a number of Local Authorities in Scotland to provide help and support to victims and families experiencing anti-social behaviour. Staff raise awareness with partner agencies and with the local communities on issues around anti-social behaviour.



CASE STUDY

SUPPORT TO VICTIM OF ASSAULT

Mary* was assaulted and robbed on an evening out. She dropped into a local VSS office seeking support to understand the outcome of her attacker's trial, as she was very unhappy with it. We were able to provide practical help to seek clarification on the Sheriff's decision, with reference to her rights under the Victim & Witness (Scotland) Act. Mary said "VSS were the only agency that had taken me seriously and understood the negative impact the outcome has had on my life."



VSS were the only agency that had taken me seriously

VSS contributes to supporting the Scottish Government's overall outcomes and plays a vital role in assisting the reduction of victimisation rates. The Scottish Government's strategic objectives which VSS sits within are: safer and stronger. The Scottish Government outcomes which VSS contribute to include:

- ▶ we live our lives safe from crime, disorder and danger
- ▶ we have strong, resilient and supportive communities
- ▶ we live long healthier lives
- ▶ we have improved life chances for children, young people and families at risk

We also contribute to the successful implementation of the Equally Safe Strategy, Racial Equality Framework, Human Rights, Youth Justice, Getting It Right for Every Child and Human Trafficking & Exploitation agendas.

All local operational services complete an annual self-assessment, based on the European Foundation Quality Management Excellence model, to assess progress against delivery of national service standards.

Investing in our people

We continued our focus on the development of our staff and volunteers with a mixture of in-house training and partnership work with external trainers.

What have we achieved this year:

Strategic Aim	Objectives	What we did
Investing in our people	Create a skilled, motivated and valued workforce of staff and volunteers	Delivered a job evaluation exercise and new pay grading system for staff
		Implemented access to professional support for volunteers dealing with traumatic cases
		Reviewed our Volunteer Model and introduced a new Volunteer Dynamic Model
		Became one of the first charities to receive a Volunteer Charter Award
		Introduced a new Volunteer Portal and Hub
		Recognised at the local third sector volunteer awards in North and South Lanarkshire where volunteers became nominee finalists
		Strengthened the capacity of our senior team to apply for bids, tenders and grants
		Implemented new courses for staff including logic modelling, theory of change, continuous improvement, time management, mental health awareness, health and safety, call handling, performance management and Victim and Witness Rights Training
		346 online training modules are available through Charity Learning Consortium and 319 were accessed and completed by our staff
		Facilitated days with leadership and Executive Board on Myers Briggs profiling
		Delivered data protection training and certification for all volunteers and staff in data security compliance
		Revised and developed our absence procedures to provide staff and line managers with clearer guidance and implemented coaching sessions for line managers across the country
		Continued to promote the importance of pension provision with membership of our Group Personal Pension (GPP) scheme over 90%
Made preparations to undertake the re-enrolment process as required by the Pensions Regulator		
Reviewed and strengthened our internal communications		

Our volunteers

Our frontline services are based within local communities and rely on voluntary help to provide support. VSS supports our volunteers through paid staff whose role is to manage, support and develop our volunteers. VSS has very dedicated volunteers some of whom have been with the organisation for up to 30 years.

We have volunteers who are; company members; service delivery volunteers; directors; on area committees and those who help fundraise and assist with administrative functions. The support and contribution of all our volunteers, irrespective of the hours they contribute, is a key factor in enabling us to deliver the services we provide.

Volunteers in VSS play a significant role in delivering our services. 524 operational volunteers committed around 107,256 hours* during 2016/2017 to support victims and witnesses of crime in communities and courts across Scotland. This figure equates to approximately 68 full time staff and a cost of £1.4m. Other volunteers contributed a total of 4,407 hours in the year.

Purpose	2016/2017	2016/2017	2015/2016	2015/2016
	Number	Estimated Hours	Number	Estimated Hours
Total volunteers	573		640	
Operational volunteers	524	*107,256	577	*93,000
Other volunteer roles				
Trustees		1,545		2,295
Administration		848		2,090
Area Committees		874		920
Other (including fundraising & IT volunteers)		1,140		795
TOTAL VOLUNTEER TIME in 2016/2017 (hours)		111,663		99,100

*Sample weeks were used to estimate annual volunteer hours.



136

new volunteers
trained

113

existing
volunteers
trained on
advanced level
courses

152

new volunteers
recruited

17

staff recruited

362

staff training
days

319

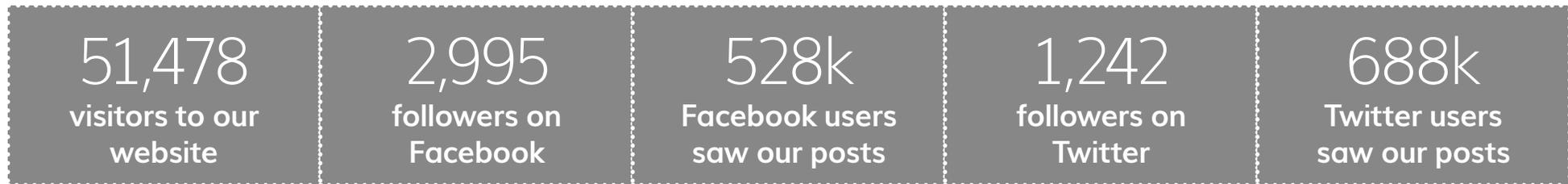
online courses
were accessed by
our staff

Improving rights for people affected by crime

VSS has worked hard to support the introduction of the Victims and Witness Scotland Act and its associated regulations into Scotland. We have played a key role this year in assisting criminal justice agencies ensure they meet their obligations so that victims and witnesses rights can be exercised.

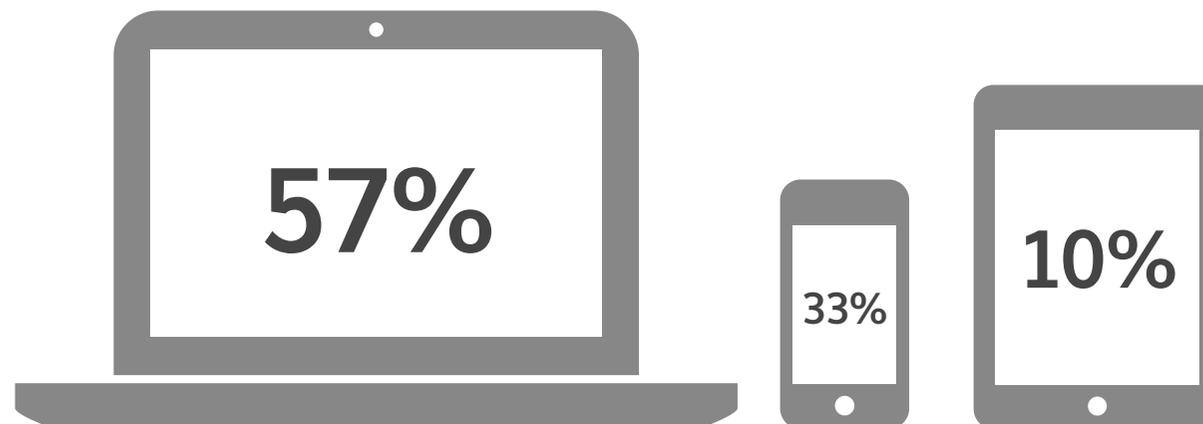
What have we achieved this year:

Strategic Aim	Objectives	What we did
Improving rights	Recognise and promote the needs of victims and witnesses	Responded to Government, Parliament and partner agency consultations including input into the British Transport Police crime review, the Parliamentary Inquiry into the COPFS and the proposals for Domestic Abuse legislation
		Provided consultation and advice to the COPFS, Scottish Courts and Tribunal Service (SCTS), Scottish Prison Service (SPS), Police Scotland and Parole Board of Scotland regarding the development and implementation of Standards of Service for Victims and witnesses of crime
		Participated in the preparation of Scotland's Community Justice Strategy, revised Justice Strategy, Human Trafficking and Exploitation Strategy and draft guidance for Restorative Justice practitioners
		Managed and chaired the Victims' Organisations Collaboration Forum Scotland (VOCFS)
		Engaged with over 30 national stakeholders and working groups
		Contributed to a number of working groups and partnerships including; Scottish Civil Justice Council review on how Fatal Accident Inquiries are heard; Community Justice Authorities; Multi-Agency Public Protection Arrangements (MAPPA); Multi-Agency Risk Assessment Conference (MARAC); Minimum Age of Criminal Responsibility; Evidence and Procedure Review; Criminal Justice Rules Council and in the establishment and development of new Community Planning Partnership (CPPs) as part of reforms to community justice legislation
		Ran follow up courses on working with victims and witnesses for the SCTS
		Delivered our 'Impact of crime' course to over 250 delegates
		Professionally accredited all our external courses to formally recognise participants attendance as part of their professional development



Strategic Aim	Objectives	What we did
Improving rights	Recognise and promote the needs of victims and witnesses	Generated £19k towards our Income Generation Strategy by promoting our training courses externally
		Provided presentations at a range of events covering the impact of crime on victims and witnesses for Police Probationers, SCTS Corporate Events, and the Judicial Institute, MAPPA Forth Valley, and gave an overview of victims experience in the Criminal Justice System at the University of West Scotland
		Provided presentations at national conferences such as the Digital Justice Strategy for Scotland
		Strengthened our links with academia and developed a new service user survey in partnership with Napier University
		Provided an online platform for victims to share their stories and views on our services
		Gave responses to a range of media requests and provided input to articles in Scottish Justice matters

How people viewed our website:



Building for our future

What have we achieved this year:

Strategic Aim	Objectives	What we did
Building for our future	Ensure that we are fit for purpose to deliver the best possible service to victims and witnesses of crime across Scotland	Continued to build on our good governance model, reviewing and improving our Risk and Issue Management
		Reviewed all our data security, models and practices in readiness for GDPR in May 2018
		Costed all VSS activities, reviewed our estate and contracts and benchmarked these across the sector – providing opportunities and recommendations for the future of VSS
		Held road shows and a major conference to facilitate open discussions about our future and opportunities for VSS
		Developed our internal communication tools and secured new ways of keeping people in touch with one other
		Scoped the further use of digital and technological solutions
		Reduced our central support costs by 13%
		Further improved our IT infrastructure and migrated to virtual desktops
		Began work to move towards a cloud based IT solution which will be realised during 2017/2018
		Ran a month long awareness raising campaign #VSS1mile where individuals covered 1,300 miles. In the lead up to the campaign we ran a 12 days of Christmas social media campaign and a national train advertising campaign
		Organised the fourth annual Schools Public Speaking Competition for S4/S5 pupils at schools across South Ayrshire on the topic of crime
		Selected by a number of schools competing in the Youth and Philanthropy Initiative (YPI) across Scotland as their nominated charity. This helped to raise awareness of VSS work and provide communities with information about our services. Schools had the opportunity to win £3k for their chosen charity
		Held a Jingle Bells campaign with local Morrisons and Police provided handbag alarms in West Lothian
Raised £1k for VSS through a music night organised by a victim of crime in appreciation of the support the individual received in the Highlands		
Continued to raise funds through work of volunteers in South Ayrshire. Over £1,200 was raised through a pop up Victim Support shop in Maybole and £2,500 was received from Santander staff in Ayr		

Awareness Raising Month

We used the period around Victims day to promote a month long programme of activities during February and in the run up to the campaign itself. We provided services with a range of publicity leaflets, posters and materials to help in local events. Volunteers and staff held a variety of events and activities up and down Scotland to promote our work and raise awareness of the support we offer.

Local services continued to be active and involved in raising awareness of VSS and fundraising.



Future Plans

Next year we will be in the final year of our three year Corporate Plan building on the work undertaken over the last two years and we will deliver a new Strategy and Plan for the next three years.

Supporting victims and witnesses



Strategic Aim	Objectives	How we will deliver this
Supporting victims and witnesses	We will maintain and improve the delivery of our support services to victims and witnesses	Roll out the outcome work across all VSS services and introduce a new technology solution to assist volunteers with this
		Further develop ways of evidencing and measuring our impact
		Develop local partnerships and community engagement to reach out to more people affected by crime
		Identify new opportunities to collaborate with partners to deliver better support and understanding of victims needs
		Work with local major incident planning teams to ensure victims and witnesses are supported appropriately

Investing in our people

Strategic Aim	Objectives	How we will deliver this
Investing in our people	We will create a skilled, motivated and valued workforce of staff and volunteers	Implement a new lone working solution for all service delivery volunteers and staff
		Develop a range of new non-service delivery volunteering roles
		Implement Phase 2 of the volunteer dynamic model
		Continue to invest in our training for staff and volunteers
		Deliver 360 appraisals for our Board Trustees and Directors
		Undertake a scoping exercise to allow us to commence the implementation of the Investors in People Award (or similar)
		Fully embed our revised Performance Management Appraisal Framework across the organisation
		Modernise our recruitment processes

Improving rights for people affected by crime

Strategic Aim	Objectives	How we will deliver this
Improving rights	We will recognise and promote the needs of victims and witnesses	Strengthen our links with academia to aid future research opportunities
		Work with criminal justice agencies to help deliver stronger rights for people affected by crime
		Develop policy briefings to aid awareness of the impact of crime and victims' rights
		Develop a project to collate case studies of victims and witnesses
		Enhance opportunities for service user engagement
		Run awareness raising campaigns to increase understanding of victims impact and rights

Building for our future

Strategic Aim	Objectives	How we will deliver this
Building for our future	We will ensure that we are fit for purpose to deliver the best possible service to victims and witnesses of crime across Scotland	Review our standards and implement a revised quality and continuous improvement framework
		Scope and implement a revised technology strategy
		Refresh our video marketing publicity and digital marketing capabilities
		Develop a new Strategic Plan for 2018-2021
		Develop a transformational change plan and implement quick wins
		Develop targeted national and local income generation strategies
		Develop corporate partnerships

Financial Review

Income

Our total income for the year was £4.7m (2016: £4.85m) a drop of £158k from the previous year. The majority of the reduction was due to the withdrawal of funding streams for 2 projects and a £38k drop in donations and legacies income.

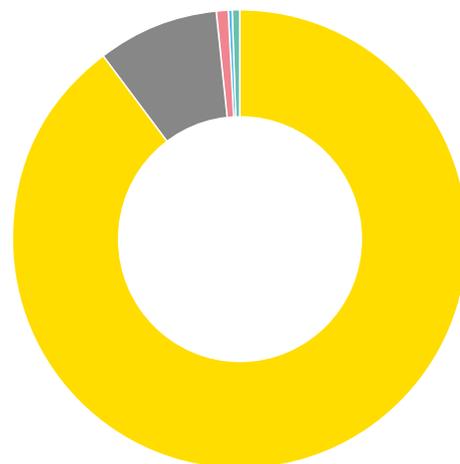
Expenditure

Our total expenditure for the year was £4.5m (2016: £4.6m) – a drop of £82k. The reduction relates to project costs that were not incurred when funding was withdrawn.

Our net income for the year was £153k (2016: £228k). In 2016/2017 there was an actuarial loss on the defined benefit pension scheme of £256k (2016: actuarial gain of £802k). This led to a negative net movement in funds for the year of (£103k) (2016: £1.03m).

Principal Funding Sources

The principal funding sources for the organisation are grants from the Scottish Government and local authorities and VSS appreciates their continuing support.



- ▶ Scottish Government **89.9%**
- ▶ Local Authorities **8.6%**
- ▶ Donations & Legacies **0.7%**
- ▶ Other funding **0.3%**
- ▶ Income generated **0.5%**

Principal Financial Risks

The principal financial risks facing VSS are the fact that 89.9% of the charity's funding is from one source, the Scottish Government; potential cuts in government and local authority funding; the level of unrestricted reserves and the pension liability with respect to Lothian Pension Fund (LPF).

A 3-year income generation strategy for 2015-2018, linked to the reserves plan, was devised and implemented in 2015/2016 to address these risks and is regularly monitored by Directors and senior staff. 2016/2017 was the second year of the 3-year strategy and income generation targets were not fully met – 74% of the target was attained. Income generation for VSS is a main focus going forward. With respect to LPF, the Directors are currently negotiating an exit from the scheme with an affordable debt repayment plan in place.

Balance Sheet

The increased level of the LPF pension liability has a significant impact on the balance sheet and a defined benefit pension reserve of (£588k) is recorded in the balance sheet at the year-end. For more details of assumptions used in valuations refer to note 19.

Reserves Policy

The Directors recognise the need for unrestricted reserves to be maintained at an appropriate level. VSS's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The policy is reviewed annually by the Directors.

The policy identifies the estimated amounts required to meet financial risk associated with potential contingencies and uncertainties relating to the charity's operating activities. These include:



The principal funding sources for the organisation are grants from the Scottish Government and local authorities and VSS appreciates their continuing support.

- ▶ the provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity;
- ▶ the funding of unforeseen major projects that have not been provided for in the normal financial planning process.

Elements of the target figure will include the costs for redundancy and contractual liabilities for such items as rent of offices. The total for this is expected to be approximately £500,000.

Reserves Position at 31 March 2017

During 2016/2017 the pension deficit position worsened by £217k to (£588k) (2016: (£371k)). This has had a significant impact on unrestricted reserves. The total balance of unrestricted reserves held as at 31.3.17 is (£294k) (2016: (£182k)). The balance held on restricted reserves as at 31.3.17 is £319k (2016: £310k). Total funds have reduced by £103k to £25k.

Discounting the impact of the pension liability the position on unrestricted reserves improved from £124,742 to £261,549 in the year. The

second year of the costed reserves plan was implemented in 2016/2017 and if the impact of the increase to the pension reserve is disregarded, the target set out in plan was met.

Going Concern

The Board consider it appropriate to prepare the financial statements on a going concern basis. In reaching this view, we have looked at the budgets prepared for the 2017/2018 financial year and the secured funding in place until March 2018. The charitable company's key source of income is the grant from the Scottish Government. Although formal

confirmation of funding beyond March 2018 has not been received at the time of signing the financial statements, we are confident that funding from this source will not be reduced or withdrawn. The Directors recognise the need to supplement this with other sources of income for specific projects.

Investment Policy

The organisation has an instant access bank account where funds not required for day to day activity are held on deposit. Transfers are made as required to cover expenditure in the current account.



Positive and negative factors outwith our control

Like many charitable organisations VSS faces a range of factors outwith our control. The main element we face is the demand for our services outweighs available resources. VSS has significant financial pressures due to historical events which affect our balance sheet. One of the impacts of this has meant that we have been limited in our ability to access and secure the range of technological solutions to assist us to operate to the maximum efficiency. Our focus on ensuring financial resilience has been a core facet of our progress this year and will continue to be so in future.

VSS works within a framework of changing political, economic and social factors outwith its control which all has a direct effect on the work we do. The reforms being undertaken by our partner criminal justice agencies include SCTS reform, the Victim and Witness Scotland Act and special measures extensions which increased the volume of vulnerable witness work in the courts and therefore have had an impact on the work of our Witness Service. Changes within Police Scotland have an influence on our working relationships and referral mechanisms.

Community Justice reforms and the introduction of 32 community planning partnerships have a direct effect on the people we support plus the organisation's ability to represent the voice of victims at local partnerships.

The demography of Scotland is changing and as such VSS needs to ensure it reflects and caters for the needs of all the population of Scotland.

The Victims Fund

VSS established a new Victims Fund specifically to manage and administer funds anticipated from the provisions of the Victims and Witnesses (Scotland) Act 2014. The Fund has been designed to continue to offer help and support to victims and persons affected by crime who find themselves in immediate need of assistance. VSS awaits confirmation from the Scottish Government in respect of release of the proceeds of the Victims Surcharge.

Victim Support Enterprise Ltd

During 2013/2014 Victim Support Enterprise Ltd suspended trading but however has maintained its company status. There has been no activity in 2016/2017. The Company will play a central role as part of Victim Support Scotland's future income generation strategy.

Risk Management

It is the responsibility of the Board of Trustees to ensure that there are effective and adequate risk management and internal controls in place. Up until September 2016, the Finance, Audit & Risk Committee reviewed all risks facing the organisation on a quarterly basis and the EB reviewed all risks every 6 months and at all other meetings

reviewed the top ten strategic risks facing VSS. VSS implemented a new Risks & Issues Management Strategy in September 2016 and from this date the EB reviewed all strategic risks & issues on a monthly basis.

VSS recognises that effective risk and issue management relies on sound systems and an understanding

of risk management throughout all levels of the organisation. With this in mind, VSS now monitors and maintains 3 levels of risk and issues registers; Strategic, Senior Management Team and Operational. Key management personnel review and monitor all risks as required on a weekly/monthly basis. Risk & issue management is now core to the

agenda of Executive Board, Senior Management Team & operational meetings.

The Board of Trustees ensures that all appropriate steps are taken to mitigate and manage the risks and issues facing VSS. The principal risks faced by the charity and mitigation factors in place are as follows:

Description of risk	Plans and strategies to manage risk
Level of pension liability (LPF) will make VSS not financially sustainable	On-going LPF contributions are included in the annual budget for 2017/2018, so current liabilities are covered Board is supported by legal & pension advisors Discussions with relevant stakeholders to exit scheme with affordable repayment plan underway
Cuts in local authority and Scottish Government funding leading to reduction in service delivery	Annual Budget 2017/2018 adapted to take account of reduction in funding Income Generation Strategy plans to diversify funding and reduce reliance on one major funder Continue to develop relationships with funders
Impact on reputation of serious fraud, data security breach or health and safety incident	Policies in place and regularly reviewed by senior management Compulsory Data Protection training for all staff & volunteers H&S procedures validated by accredited supplier who acts as VSS's 'competent person'
Lack of income diversification	Income Generation strategy in place New projects and partnerships in development
Increased competition from other agencies	Strengthening our evidence of impact New partnerships developed and local initiatives being scoped
There is a risk of inadequate investment in IT and digital technology	Future IT requirements being scoped Staff digital skills training Digital projects being tested & developed

Structure, Governance and Management

Victim Support Scotland is a company limited by guarantee incorporated on 31.3.88 and is registered as a charity with OSCR. The Company is governed by its Articles of Association which were reviewed in 2016/2017 and no changes were recommended. Under the terms of this document, the strategic policy and direction of the organisation and the implementation of this is vested in its Executive Board (EB). The EB members are the Directors of the Company and the Trustees for the purposes of charity legislation.

VSS is a membership organisation and each company member has one vote. There is an upper limit of 40 members of VSS. A full list of the members is available on request from the registered office.

Appointment of Trustees

The articles state that the maximum number of trustees is 12. VSS currently has 6 trustees on the Board and 7 new trustees were co-opted in June 2017. At the AGM in September 2017 one trustee will step down and members will be asked to consider appointing co-opted trustees. Trustees are appointed for an initial term of 3 years. They may be appointed for a further 3 years as a trustee and may serve for a maximum of 9 years if one or two 3-year periods is as an office bearer.

At the Annual General Meeting in September 2016, the co-opted directors, Alastair MacDonald, Kirsten Gilbert, Jim Wilson and Alex Gauld were appointed as directors

and Alastair MacDonald and Liz Taylor were appointed as Vice-Chairs for a first term. Details of changes to directors during the year are listed on page 28.

Trustees' Recruitment, Induction, Training and Development

VSS trustees receive a comprehensive recruitment and induction process. Vacant posts are advertised externally via publications, social media and recruitment agencies and the organisation seeks external applications as well as internal candidates from our existing volunteer base. The candidates are subject to interviews prior to selection and recommendation for appointment being made at the AGM.

Recommended appointments take into account the need to balance the number of external and internal Directors in line with the Standing Orders.

VSS is a membership organisation and each company member has one vote. There is an upper limit of 40 members of VSS.



Strategic Aim	Objectives	What we did
Investing in our people	Create a skilled, motivated and valued workforce of staff and volunteers	Delivered 2 trustee recruitment campaigns, engaging with a recruitment firm and outplacement organisations
		Ran recruitment for office bearer positions of Chair and Treasurer
		Provided all new trustees with an induction pack which includes OSCR guidance and Code of Conduct for Trustees. All new trustees meet with Chair, fellow Trustees and the Directorate. Visits to local services and National Office were also arranged. Individual development needs were assessed and where appropriate attendance at external training was arranged
		Trustees attended external development sessions including Governance, Digital Leadership, Equality Training
		Trustees participated in a variety of in-house facilitated sessions on Myers Briggs, strategy and Risk Management

Committee Structure

In September 2016 the Committee structure was reviewed and changes were implemented.

The **Executive Board** (EB) provides strategic leadership, governance, direction and overall accountability for VSS. The Board decides the organisation's strategic direction, mission and priorities. It ensures that VSS complies with its governing documents, charity and company law and other relevant legislation. In addition, the Board scrutinises, evaluates and accounts for the organisation's performance, ensuring that there is an effective risk management system in operation to safeguard the organisation's sustainability, finances and otherwise to protect its assets and reputation and always act in the interests of the organisation. From September 2016 the frequency of the EB meetings

changed from quarterly to monthly to aid agile decision making.

The **Finance, Audit & Risk Committee** was altered to a Finance & Audit Committee in September 2016. The responsibility of risk was allocated to the monthly EB meetings. This committee continues to provide a strategic overview of VSS's financial and fiscal position to ensure that all the financial resources necessary are secured and managed effectively to deliver the objectives in the organisation's corporate plan; to ensure the long term sustainability and viability of the organisation; and to ensure the effective management of the financial risks which may threaten the organisation.

The **Strategy & Operations Committee** (discontinued in September 2016) made recommendations to the EB for the strategic direction of VSS. In

addition, it provided a strategic overview of VSS's vision and policy framework. In September 2016, the EB decided to discontinue this committee as Strategy is a whole Board responsibility.

The **Remuneration Committee** (discontinued in September 2016) provided a strategic overview of VSS's remuneration policies and procedures. In September 2016, the EB took the decision that this was a whole Board responsibility and decided to discontinue the Committee.

The **Governance Committee** provides an overview of VSS's governance to ensure that the Board fulfils its legal, ethical, and functional responsibilities; ensures adequate governance policy development, recruitment strategies, training programs and monitoring of board activities and evaluation of board members' performance is in place.

In September the frequency of this committee was changed to once a year.

All Committees make recommendations to the EB on a regular basis on matters within their remits.

Key Management Personnel Remuneration

The board of directors and the Directorate of VSS comprise the key management personnel of the charity in charge of managing the charity on a day to day basis. The Directors are volunteers and do not receive remuneration. Details of directors' expenses reimbursed are disclosed in note 7 in the accounts.

In 2016/2017, as part of the job evaluation exercise across the organisation, the pay of senior staff was benchmarked against the median point of the Croner Charity rewards survey.

Reference and Administration Details

President

HRH, The Princess Royal

Directors & Trustees

The directors of the charity are its trustees for the purposes of company law. The trustees serving during the period are as follows:

The Directors

Stephen Meighan (resigned 22.9.16)

Alan Dunipace (resigned 10.8.16)

Steven Delaney (resigned 21.9.16)

Liz Taylor

Jim Dow (resigned 1.4.16)

Desmond O'Brien

Fiona Young

Alastair MacDonald

Kirsten Gilbert (appointed 13.5.16)

Jim Wilson (appointed 12.8.16 & died 10.2.17)

Alex Gauld (appointed 12.8.16)

Formal appointment of co-opted trustees will be considered at the AGM in September 2017.

Co-opted directors

David Alexander (appointed 29.6.17)

Laura Battles (appointed 29.6.17)

Ashok Khindria (appointed 29.6.17)

Lynne Staples-Scott (appointed 29.6.17)

Jon Turner (appointed 29.6.17)

George Welsh (appointed 29.6.17)

James Wilson (appointed 29.6.17)

Company Secretary

Jane Sturgeon

Key Management Personnel

Susan Gallagher

Acting Chief Executive

Alan McCloskey

Director of Operations

Andy Heapy

Director of People Development

Frida Wheldon

Director of Corporate Services
(until Feb 2017)

Jane Sturgeon

Director of Finance & Administration

Company Registration Number: SC110185

Scottish Charity Number: SC002138

Registered Office: 15-23 Hardwell Close,
Edinburgh, EH8 9RX

Our Advisors

Auditors

Henderson Loggie,
34 Melville Street,
Edinburgh, EH3 7HA

Bankers

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

Solicitors

Shepherd & Wedderburn,
1 Exchange Crescent,
Conference Square,
Edinburgh, EH3 8UL

Turcan Connell,
Princes Square,
1 Earl Grey Street,
Edinburgh, EH3 8UL

Davidson Chalmers LLP,
12 Hope Street,
Edinburgh, EH2 4DB

MacRoberts,
60 York Street,
Glasgow G2 8JX

Pension Advisors

Spence and Partners,
The Culzean Building,
Glasgow, G2 1LU

Statement of Directors' Responsibilities

The charity directors (who are also the trustees of Victim Support Scotland for the purposes of charity legislation) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the end of the year and of the surplus, or deficiency for the year then ended.

In preparing those financial statements, the Board of 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with 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.

The Board of Directors are responsible for the maintenance and the integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Board of Directors is aware, at the time of approving the directors' annual report:

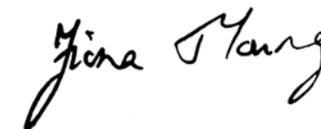
- ▶ there is no relevant audit information of which the company's auditors are unaware, and
- ▶ the Board of Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to small companies.

Signed by order of the Directors



Alastair MacDonald
Chair



Fiona Young
Board Member

August 2017

Independent Auditor's Report

Year ended 31 March 2017

We have audited the financial statements of Victim Support Scotland for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its directors as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement (set out on page 21), the directors (who are also the trustees of the charitable company for the purposes of charitable law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed 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 regulations under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial reporting Council's (FRC's) Revised Ethical Standard 2016.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified in respect of this matter, we have considered the adequacy of the disclosures in note 1 to the financial statements concerning the charitable company's ability to continue as a going concern. The charity company is reliant on funding from the Scottish Government to meet its costs and, as explained in note 1, funding for the period beyond 31 March 2018 had not yet been confirmed. This may cast significant doubt over the charitable company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charitable company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for

which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- ▶ the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the accounting records or returns; or
- ▶ certain disclosures of directors' remuneration specified by law are not made; or
- ▶ the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



James Davidson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie
Statutory Auditors

Henderson Loggie is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Edinburgh

August 2017

VSS Statement of Financial Activity for the year ended 31 March 2017

	Notes	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Income from:					
Donations & legacies	2	8,646	24,879	33,525	71,972
Charitable activities	2	4,236,861	417,359	4,654,220	4,768,301
Other trading activities	2	2,667	1,471	4,138	8,834
Investments	2&8	634	-	634	1,019
Total income and endowments		4,248,808	443,709	4,692,517	4,850,126
Expenditure on:					
Raising funds	3	5,069	-	5,069	3,876
Charitable activities					
Direct	4	43,411	3,202,435	3,245,846	3,131,001
Indirect	4	1,289,194	-	1,289,194	1,487,537
Total expenditure		1,337,674	3,202,435	4,540,109	4,622,414
Net gains/(losses) on investments	10	218	-	218	(191)
Net income/(expenditure)		2,911,352	(2,758,726)	152,626	227,521
Transfers between funds					
Gross transfers between funds	14	(2,767,182)	2,767,182	-	-
Other recognised (losses)/gains					
Actuarial (losses)/gains on defined benefit pension scheme	19	(256,000)	-	(256,000)	802,000
Net movement in funds		(111,830)	8,456	(103,374)	1,029,521
Reconciliation of Funds					
Total funds brought forward	14	(182,246)	310,227	127,981	(901,540)
Total funds carried forward	14	(294,076)	318,683	24,607	127,981

All the activities of the Company are classed as continuing.

The Company has no gains or losses other than the results for the year as set out above.

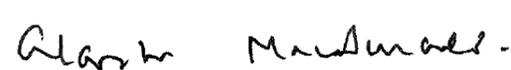
The notes on pages 34 to 44 form part of these financial statements.

VSS Balance Sheet as at 31 March 2017

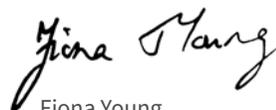
	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	9	34,927	66,564
Investments	10	586	368
Total fixed assets		35,513	66,932
CURRENT ASSETS			
Debtors	11	115,704	269,181
Cash at bank and in hand		924,350	465,812
Total current assets		1,040,054	734,993
CREDITORS: Amounts falling due within one year	12	(462,960)	(302,944)
NET CURRENT ASSETS		577,094	432,049
NET ASSETS BEFORE PENSION LIABILITY		612,607	498,981
PENSION LIABILITY	19	(588,000)	(371,000)
NET ASSETS INCLUDING PENSION LIABILITY		24,607	127,981
FUNDS			
Unrestricted – General excluding pension reserve	14	261,549	124,742
Defined benefit pension reserve	14	(588,000)	(371,000)
Designated – Fixed Assets Reserve	14	32,375	64,012
Restricted	14	318,683	310,227
TOTAL FUNDS		24,607	127,981

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime in Part 15 of the Companies Act 2006.

These financial statements were approved by the Directors on 21 August 2017 and are signed on their behalf by:



Alastair MacDonald
Chair



Fiona Young
Board Member

The notes on pages 34 to 44 form part of these financial statements.

Company Registration number: 110185

VSS Statement of Cashflows for the year ended 31 March 2017

	Notes	2017 £	2016 £
Cash flow from operating activities	18	457,904	126,702
Net cash provided by operating activities		457,904	126,702
Cash flows from investing activities:			
Interest income	2	634	1,019
Purchase of equipment		-	(2,172)
Net cash provided by/(used in) investing		634	(1,153)
Change in cash in the reporting period		458,538	125,549
Total cash and cash equivalents at the beginning of the year		465,812	340,263
Total cash and cash equivalents at the end of the year		924,350	465,812

VSS Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements are prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)* (effective 1 January 2015) (Charities SORP (FRS 102)).

Victim Support Scotland is a public benefit entity. The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards, Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment assets.

These financial statements contain information about Victim Support Scotland as an individual charity and do not contain consolidated financial information including Victim Support Enterprises, which is a wholly owned dormant subsidiary, as the results and net assets are not material to the group as a whole.

Going concern

The Board consider it appropriate to prepare the financial statements on a going concern basis. In reaching this view, we have looked at the budgets prepared for the 2017/2018 financial year and the secured funding in place until March 2018. The charitable company's key source of income is the grant from the Scottish Government. Although formal confirmation of funding beyond March 2018 has not been received at the time of signing the financial statements, we are confident that funding from this source will not be reduced or withdrawn. The Directors recognise the need to supplement this with other sources of income for specific projects.

Income

Income from charitable activities and other trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Such income is only deferred when:

- ▶ The donor specifies that the donation must only be used in future accounting periods; or
- ▶ The donor has imposed conditions that must be met before the charity has unconditional entitlement, and these conditions have not yet been met.

Donations and legacies and investment income are included in the year in which they are receivable, which is when the charity becomes entitled to the resources.

Donated Services and Facilities

The volunteer time is not recognised in the accounts but the hours donated are quantified in the directors annual report.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of expenditure in the Statement of Financial Activities. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- ▶ Expenditure on raising funds is the costs associated with attracting donations & legacies.
- ▶ 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, those costs of an indirect nature necessary to support them and an allocation of governance costs.
- ▶ Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- ▶ All costs are allocated between the expenditure categories of the SoFA in full on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly or using another appropriate basis.

Foreign currency transactions

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the statement of financial activities.

Fixed assets

Tangible fixed assets costing more than £1,000 (£5,000 from April 2017) are capitalised and stated at cost and depreciated over their useful economic lives at the following rates:

Leasehold Improvements	Straight line over remaining lease term
Fixtures and Fittings	20% straight line
Computer & Office Equipment	33.3% straight line

1. ACCOUNTING POLICIES continued

Investments

Investments are a form of basic financial instrument and are initially recognised at cost and subsequently measured at their fair value at the balance sheet date by reference to the Stock Exchange mid prices. Realised and unrealised gains and losses are charged or credited in the statement of financial activities. The charity has no complex financial instruments and as the value of investment is not material to the charity, investments do not present a material financial risk.

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party in the future and the amount due to settle obligations can be measured or estimated reliably. Creditors are recognised at their settlement amount.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

Pensions

Victim Support Scotland contributes to the Lothian Pension Fund ("The Scheme") at rates set by the Scheme Actuary and advised to the Board of Directors by the Scheme Administrator. The Scheme is a multi-employer defined benefit pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. For staff members not in the Lothian Pension Fund scheme, the charity contributes a 5% of gross salary contribution to a Standard Life Group Personal Pension Scheme.

Employee benefits

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

Termination payments

All termination payments made in the year are recognised in the expenditure in the Statement of Financial Activities. If there is a demonstrable commitment at the year-end either to terminate the employment of staff or provide termination benefits as a result of an offer to encourage voluntary redundancies such payments will be recognised as a liability and as expenditure. In this instance termination benefits will be the best estimate of the expenditure required to settle the obligation at the reporting date.

2. INCOME

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
<i>Donations & Legacies</i>				
Donations	8,146	9,297	17,443	29,278
Legacies	–	7,728	7,728	41,394
Grants of a general nature	500	7,854	8,354	1,300
Total donations & legacies income	8,646	24,879	33,525	71,972
<i>2016 total comprises £5,580 of unrestricted income and £66,392 of restricted income</i>				
<i>Charitable Activities</i>				
Scottish Government: revenue	4,217,000	–	4,217,000	4,217,000
Crown Office and Procurator Fiscal Service	–	–	–	41,022
Aberdeen City Council	–	15,000	15,000	15,000
Aberdeenshire Council	–	15,685	15,685	15,685
Angus Council	–	6,769	6,769	6,735
City of Edinburgh Council	–	45,971	45,971	48,390
Dumfries & Galloway Council	–	17,000	17,000	17,000
Dundee City Council	–	49,950	49,950	45,150
East Ayrshire Council	–	10,700	10,700	10,700
East Dunbartonshire Council	–	–	–	1,700
Fife Council	–	33,793	33,793	65,498
Glasgow City Council	–	13,920	13,920	13,920
The Highland Council	–	6,277	6,277	6,277
Inverclyde Council	–	5,000	5,000	5,000
North Ayrshire Council	–	23,432	23,432	23,069
North Lanarkshire Council	–	12,514	12,514	16,957
Orkney Council	–	2,459	2,459	2,435
Perth & Kinross Council	–	14,451	14,451	17,951
Renfrewshire Council	–	23,986	23,986	24,986
Scottish Borders Council	–	16,000	16,000	16,000
South Ayrshire Council	–	10,000	10,000	10,000
South Lanarkshire Council	–	31,664	31,664	37,664
Stirling Council	–	2,232	2,232	2,232
West Dunbartonshire Council	–	17,000	17,000	26,240
West Lothian Council	–	29,765	29,765	29,658
European contributions	503	–	503	4,599
Victims Fund	–	10,000	10,000	10,000
Foreign & Commonwealth Office	–	(7,500)	(7,500)	–
Glasgow Community Justice Authority	–	2,500	2,500	–
Trusts	–	8,500	8,500	9,706
Delivery of training	19,358	–	19,358	14,486
Other	–	291	291	13,184
Total charitable activities income	4,236,861	417,359	4,654,220	4,768,301

2016 total comprises £4,249,269 of unrestricted income and £519,032 of restricted income

2. INCOME continued

<i>Other trading activities</i>				
Room hire	1,534	500	2,034	6,324
SVQ fees	1,113	–	1,113	1,513
Café Takings	–	971	971	767
Other	20	–	20	230
Total other trading activities income	2,667	1,471	4,138	8,834
<i>2016 total comprises £5,952 of unrestricted income and £2,882 of restricted income</i>				
Investment income	634	–	634	1,019
<i>2016 total comprises £1,019 of unrestricted income</i>				
Total income and endowments	4,248,808	443,709	4,692,517	4,850,126

3. RAISING FUNDS EXPENDITURE

	2017	2017	2017	2016
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations & legacies	4,358	–	4,358	2,366
Other trading activities	711	–	711	1,510
Total raising funds	5,069	–	5,069	3,876

2016 total comprises £3,856 of unrestricted expenditure and £20 of restricted expenditure.

4. CHARITABLE ACTIVITIES EXPENDITURE

	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
<i>Direct – Relating to Victim & Witness Service</i>				
Salaries & staff costs	43,411	2,465,312	2,508,723	2,422,184
Volunteer costs	–	119,459	119,459	126,767
Office accommodation costs	–	298,716	298,716	259,763
Office running costs	–	216,069	216,069	218,904
Publicity & advertising	–	38,133	38,133	32,320
Staff training & Conferences	–	24,981	24,981	1,976
Legal Fees	–	8,400	8,400	–
Redundancy & termination costs	–	6,741	6,741	11,246
Other costs	–	13,521	13,521	5,995
	43,411	3,191,332	3,234,743	3,079,155
<i>Relating to Specific Funded Projects</i>				
Salaries & staff costs	–	–	–	29,707
Office accommodation costs	–	–	–	5,320
Office running costs	–	77	77	1,798
Victims Fund costs	–	10,713	10,713	14,518
Legal Fees	–	313	313	503
	–	11,103	11,103	51,846
Total direct charitable activities	43,411	3,202,435	3,245,846	3,131,001

2016 total comprises £55,974 of unrestricted expenditure and £3,071,027 of restricted expenditure.

4. CHARITABLE ACTIVITIES EXPENDITURE continued

	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
<i>Indirect charitable activities</i>				
Salaries & staff costs	597,696	–	597,696	762,707
Volunteer costs	–	–	–	400
Office accommodation costs	168,792	–	168,792	148,422
Office running costs	326,786	–	326,786	360,497
Publicity & advertising	35,066	–	35,066	34,787
Staff training & Conferences	57,618	–	57,618	8,720
Legal Fees	8,849	–	8,849	31,757
Consultancy	102,670	–	102,670	81,149
Redundancy & termination payments	–	–	–	44,770
Governance costs	30,717	–	30,717	32,968
Other costs	(39,000)	–	(39,000)	(22,000)
Total indirect charitable activities	1,289,194	–	1,289,194	1,487,537

2016 total comprises £1,487,537 on unrestricted expenditure.

5. GOVERNANCE COSTS

	2017 £	2016 £
Executive Board Expenses	2,286	5,276
Audit fees	8,652	8,400
AGM & National Council	734	1,713
Publicity & advertising	–	1,100
Conferences & training	2,373	832
Staff salaries	13,986	14,946
Trustee recruitment	2,030	–
Other Costs	656	701
Total	30,717	32,968

2016 total comprises £32,968 of unrestricted expenditure.

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:	2017 £	2016 £
Depreciation	31,637	57,065
Audit fees	8,652	8,400

7. ANALYSIS OF STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Management Support & Office Staff £	Service Based Staff £	2017 £	2016 £
Wages & salaries	480,267	2,181,733	2,662,000	2,763,656
Employers NI	38,549	149,759	188,308	209,131
Pension costs	91,357	91,313	182,670	226,789
Total	610,173	2,422,805	3,032,978	3,199,576
Staff Recruitment & Expenses	19,215	49,248	68,463	76,559
Total	629,388	2,472,053	3,101,441	3,276,135

Average number of employees during 2017 was 138 (FTE 107) (2016: 135 FTE 107) of whom 16 (FTE: 15) were support staff (2016: 19 FTE 16).

Number of employees earning over £60,000:

	Management Support and Office 2017	2016
£60,000 – £70,000	2	2
£70,000 – £80,000	–	1
Total	2	3

As shown above two employees received emoluments in excess of £60,000 during the year (2016: three). The company contributed to the Lothian Pension Fund (LPF), a final salary scheme, in respect of one of these employees for 2016/2017 (2016: one employee all year & another employee for the period 1.4.15 – 7.8.15) and the other employee is in a defined contribution scheme. The total pension contribution cost for LPF for the one employee was £34,807 (2016: £46,866 – for 2 employees in this year for the period 1.4.15 – 7.8.15).

In 2016/2017 the employer pension contribution levels for LPF continue to be 39.2% of gross salary. In 2016/2017 a total of £38,000 was made towards the pension deficit with respect to LPF (2016: £55,000). The pension cost for the employee earning over £60,000 in the defined contribution scheme was £3,053 (2016: £5,645 for 2 staff).

For other employees VSS contributes to a defined contribution scheme. The pension cost charge for the year for the defined contribution scheme amounted to £109,723 (2016: £124,883).

No remuneration has been paid to the Directors but travel and subsistence expenses have been reimbursed to 9 Directors to the extent of £4,642 (2016: 8 Directors £5,929). Director indemnity insurance of £656 (2016: £701) has been charged for the year to cover loss to the charity and the directors as a result of any negligence or default of the directors.

The key management personnel of the charity are deemed to be the board directors, Chief Executive Officer and the Directorate. The total employment benefits of the key management personnel were £308,105 – 5 staff (2016: £517,911 – for 8).

In 2016/2017 a redundancy payment of £6,741 was made to one member of staff due to loss of funding. (2016: 6 staff received redundancy payments totalling £44,770 and a termination payment of £11,246 was made to one member of staff).

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £	2016 £
Bank interest receivable	620	1,004
Dividends	14	15
Total	634	1,019

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Computer & Office Equipment £	Fixtures & fittings £	Total £
COST				
At 1 April 2016	128,637	355,970	52,170	536,777
Additions	–	–	–	–
Disposals	–	–	–	–
At 31 March 2017	128,637	355,970	52,170	536,777
DEPRECIATION				
At 1 April 2016	77,287	352,932	39,994	470,213
Charge for the year	23,025	3,038	5,574	31,637
At 31 March 2017	100,312	355,970	45,568	501,850
NET BOOK VALUE At 31 March 2017	28,325	–	6,602	34,927
At 31 March 2016	51,350	3,038	12,176	66,564

10. INVESTMENTS

Investment

Banco Santander SA Ordinary Shares 0.50 EURO

	2017	2016
	£	£
At 1 April 2016	368	559
Unrealised gain /(loss)	218	(191)
Market value at 31 March 2017	586	368
Subsidiary undertaking		
Investment in VS Enterprise	Issued and unpaid of £1	One

Victim Support Scotland owns 100% of the issued share capital of Victim Support Enterprise Ltd, a company registered in Scotland, company number SC407507. The company suspended trading in 2013/14, but remains as a dormant company. For the year ended 31 March 2017 there was no activity and no surplus (2016: no activity) and had capital and reserves of £1 at 31 March 2017 (2016: £1)

11. DEBTORS

	2017	2016
	£	£
Grants receivable	30,583	162,799
Prepayments	76,302	97,840
Other debtors	8,819	8,542
Total	115,704	269,181

12. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	256,084	151,055
Taxation & social security	54,436	57,956
Accruals	99,460	63,851
Provision – office dilapidations	15,000	-
Deferred income	10,873	-
Pension contributions	14,863	15,626
Other creditors	12,244	14,456
Total	462,960	302,944

13. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2017 the charity had total commitments under non-cancellable operating leases as set out below.

	Land and buildings	Other	Total 2017	Total 2016
			£	£
Total operating leases payments:				
Within 1 year	204,428	22,449	226,877	231,645
Within 2 to 5 years	406,602	16,837	423,439	526,520
After 5 years	77,875	-	77,875	122,375
Total	688,905	39,286	728,191	880,540

14. MOVEMENT IN FUNDS

	Balance at 31 Mar 16	Incoming	Outgoings	Transfers	Gains/losses	Balance at 31 Mar 2017
	£	£	£	£	£	£
Restricted Funds						
Victim & Witness Services	237,226	429,258	(3,184,497)	2,768,316	-	250,303
Foreign and Commonwealth Office	11,434	(7,500)	(476)	-	-	3,458
Victims Fund	7,109	10,000	(6,303)	-	-	10,806
Victims Fund – Moira Fund	5,323	-	(4,800)	-	-	523
Others	49,135	11,951	(6,359)	(1,134)	-	53,593
	310,227	443,709	(3,202,435)	2,767,182	-	318,683
Unrestricted Funds						
General fund	124,742	4,248,808	(1,376,674)	(2,735,545)	218	261,549
Designated Fund – Fixed Asset Reserve	64,012	-	-	(31,637)	-	32,375
Pension Reserve	(371,000)	-	39,000	-	(256,000)	(588,000)
	(182,246)	4,248,808	(1,337,674)	(2,767,182)	(255,782)	(294,076)
Total Funds	127,981	4,692,517	(4,540,109)	-	(255,782)	24,607

- ▶ The transfer from the General Fund to Victim and Witness Services represents the costs of the services not supported by direct funding from Local Authorities or by local fundraising
- ▶ The Transfer to Designated Fund represents an allocation of the fixed assets value

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

Victim & Witness Services:

- ▶ People affected by crime feel supported and assisted by Victim Support
- ▶ People affected by crime can access other appropriate services through Victim Support
- ▶ Victims Support's services assist victims and witnesses to participate in the criminal justice process
- ▶ Criminal Justice and social policy development addresses the needs of people affected by crime
- ▶ Staff and volunteers receive the training and management support they require

A listing of the funds received is detailed in note 2 – the grants awarded include Local Authority funding, Anti-social behaviour project funding, and other specific project funding.

Other Funds:

- ▶ **Foreign and Commonwealth Office:** For the provision of assistance to Scottish families as a result of murder abroad.
- ▶ **Victims Fund** – this fund is to be allocated to meet the immediate needs of people affected by crime
- ▶ **Victims Fund – Moira Fund** – these are funds specifically meeting the immediate needs of individuals bereaved through murder
- ▶ **Others:** This represents a number of smaller, less active projects, details of which can be obtained from the Registered Office

15. RELATED PARTY TRANSACTIONS

During the year, in line with other victim support organisation in Europe, Victim Support Scotland was charged a subscription of £2,384 (3,000 euros) (2016: 15,000 euros – £10,859) to support the work of Victim Support Europe. Also, in the year Victim Support Scotland received £35 rental income from Taylormade Marketing (2016: £35 – Taylormade Marketing). Liz Taylor, a director of VSS, is also a director of Taylormade Marketing – there are no outstanding amounts due at the year end.

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

	Tangible Fixed Assets & Investments	Other net assets	Total 2017	Total 2016
	£	£	£	£
Restricted Funds	3,138	315,545	318,683	310,227
Unrestricted Funds	–	261,549	261,549	124,742
Designated – Fixed Asset Fund	32,375	–	32,375	64,012
Pension Funds	–	(588,000)	(588,000)	(371,000)
Total	35,513	(10,906)	24,607	127,981

17. COMPANY LIMITED BY GUARANTEE

The Company is limited by guarantee, with each member liable to contribute up to £1 in the event of the Company being wound up. Under the terms of the Company's Articles of Association, Directors are also members of the Company. The company is controlled by the Directors.

18. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	£	£
Net income/expenditure	152,626	227,521
Actuarial (loss)/gain on defined benefit scheme	(256,000)	802,000
Depreciation charge	31,637	57,065
(Gains)/ losses on investments	(218)	191
Interest income in investing activities	(634)	(1,019)
Decrease in stock	–	1,908
Decrease/(increase) in debtors	153,477	(118,523)
Increase/(decrease) in creditors	160,016	(18,441)
Increase/(decrease) in pension liabilities	217,000	(824,000)
Net cash used in operating activities	457,904	126,702

19. PENSION DISCLOSURES

Victim Support Scotland belongs to the Lothian Pension Fund, a defined benefits pension scheme into which employees' and employers' contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. In 2016/2017 employees' contributions were 8.7% and employers' basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. In the financial year to 31 March 2017 the employer contribution rate was 39.2% (2016: 39.2%). Employers' contributions paid for the year to 31 March 2017 amount to £34,807 (2016: £46,886). In 2016/2017 a total of £38,000 was made towards the pension deficit with respect to Lothian Pension Fund (2016: £55,000).

The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Principle actuarial assumptions used are as follows:

	2014	2011
	%	%
Inflation/pension increase rate	2.7	2.8
Salary increase rate	5.0	5.1
Retail price inflation	3.5	2.8
Discount rates	5.0	5.8

The most recent actuarial valuation as at 31 March 2014 showed the funding position to be as follows:

	2014	2011
	£'000	£'000
Past service liabilities	(4,796)	(3,619)
Market value of assets	4,379	3,477
	(417)	(142)
Funding level	91.3%	96.1%

The full actuarial valuation carried out on 31 March 2014 was updated on an FRS 102 basis for Victim Support Scotland to 31 March 2017 by a qualified actuary.

	2017	2016
	£000	£000
Present value of funded defined benefit obligations	(3,711)	(2,977)
Fair value of employer assets	3,123	2,606
Net liability	(588)	(371)

19. PENSION DISCLOSURES continued

Movement in present value of defined benefit obligation

	2017 £000	2016 £000
At start of year	2,977	3,701
Current service cost	22	48
Interest cost	107	118
Contributions by members	6	9
Actuarial losses/(gains)	692	(818)
Estimated benefits paid	(93)	(81)
At end of year	3,711	2,977

Movement in fair value of employer assets

	2017 £000	2016 £000
At start of year	2,606	2,506
Interest income on plan assets	95	81
Contributions by members	6	9
Contributions by the employer	73	107
Actuarial gains/(losses)	436	(16)
Benefits paid	(93)	(81)
At end of year	3,123	2,606

Expense recognised in the statement of financial activity

	2017 £000	2016 £000
Current service cost	51	59
Interest cost	(12)	(37)
Actuarial (losses)/gains	(256)	802
	(217)	824

The expense is recognised in the following line items in the SOFA

	2017 £000	2016 £000
Expenditure on charitable activities	39	22
Actuarial (losses)/gains on pension scheme	(256)	802
	(217)	824

The fair value of the employer assets were as follows:

	Value 2017 £000	Value 2016 £000
Bonds	3,123	2,606
	3,123	2,606

Principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	2017 %	2016 %
Inflation/pension increase rate	2.2	2.0
Salary increase rate	1.5	1.5
Discount rate	2.7	3.7

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard mortality tables and include an allowance for future improvement in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	Males	Females
Current pensioners	22.1	23.7
Future pensioners	24.2	26.3

History of the plan

The history of the plan for the current and previous periods is as follows:

	2017 £000	2016 £000	2015 £000	2014 £000
Present value of defined benefit obligation	(3,711)	(2,977)	(3,701)	(3,126)
Fair value of employer assets	3,123	2,606	2,506	2,155
(Deficit)	(588)	(371)	(1,195)	(971)
Actuarial gains and losses				
	2017 £000	2016 £000	2015 £000	2014 £000
Actuarial gains/(losses) on assets	436	(16)	265	-
Actuarial (losses)/gains on liabilities	(692)	818	(462)	-

The charity estimates that it will contribute approximately £26k to its defined benefit pension scheme for the one remaining active member in the next financial year.

Staying in touch

Website: www.victimsupportsco.org.uk

Or follow us on Facebook or Twitter:

 [victimsupportsco](https://www.facebook.com/victimsupportsco)

 [@vsscotland](https://twitter.com/vsscotland)

Email: info@victimsupportsco.org.uk

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Please join us on our journey