



VOLUNTARY HEALTH SCOTLAND
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

CHARITY NO: SC035482

COMPANY NO: SC267315

WHITELAW WELLS

Chartered Accountants & Registered Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

VOLUNTARY HEALTH SCOTLAND
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2024

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VOLUNTARY HEALTH SCOTLAND

YEAR ENDED 31 MARCH 2024

DIRECTORS' REPORT

The Directors, who are trustees for the purposes of charity law, have pleasure in presenting their report for the year to 31 March 2024.

OBJECTIVES AND ACTIVITIES

Voluntary Health Scotland (VHS) is the national intermediary and network for voluntary health organisations in Scotland. Its full members comprise national, local, and cross-border charities working to improve and support the health and wellbeing of people in Scotland. It also has associate members who support VHS's work and comprise individuals and organisations from any sector. Beyond its own members, VHS works with a wide range of stakeholders across the third and community sector, Scottish Government, Public Health Scotland, NHS boards, Health and Social Care Partnerships, other public sector, and academia.

VHS's charitable purposes are the advancement of health, education, citizenship and community development, and the relief of those in need. It advances these areas through:

- The provision of an effective network for voluntary health organisations
- Working for sustainable improvements in health and social care services, health improvement and public health
- Working to prevent, mitigate and reduce health inequalities, including through education and awareness-raising about the underlying causes of such inequalities, including poverty and discrimination
- Supporting voluntary health organisations to improve their knowledge, understanding and skills to engage with health-related priorities, policy, systems, personnel and partnerships
- Promoting the voluntary health sector's role, expertise and evidence to a wide audience
- Working to make effective collaboration and partnerships on health-related matters between the public and voluntary health sectors normal and valued.

This report provides the Directors' account of the second year of our three-year strategy that covers the period April 2022 to March 2025.

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DIRECTORS' REPORT

ACHIEVEMENTS AND PERFORMANCE

Summary

The twelve months covered by the Directors' report have been very positive and reflect the success achieved in delivering a vibrant and impactful work programme for the year. During this period, we were proud to have continued to support our 154 members with valuable opportunities created to improve knowledge, understanding and practice in addressing health inequalities, as well as providing a voice and influencing key policy areas relevant to health inequalities across Government and wider stakeholders. This year saw VHS reach our 20th Anniversary year culminating in a reflection and celebration of 20 years of our impact on health inequalities within Scotland.

Our key work areas during this year included further developing the Scottish Community Link Worker Network (SCLWN), continuing in our role as Secretariat of the Cross-Party Group on Health Inequalities, delivering a programme of policy work including support for the Health Policy Officers' Network (HPON), and providing engaging and thought-provoking events including our flagship Annual 'Health Creators' Conference in October.

Alongside our membership activity, we continued to grow our communications reach, most notably through website content, social media and our monthly e-Newsletters with a reach of 1700 subscribers. Subscribers received our monthly communications with a focus on key policy and events information to stimulate further engagement.

The difference that our activities made can be summarised as follows. We amplified the voice and influence of the third sector in health and we supported the third sector to understand and engage with health priorities, policies and systems. We promoted the third sector's role, expertise and evidence in health to a wide audience, and we helped make effective, cross-sectoral collaboration on health more normal and valued. Finally, in a year when people and organisations continued to recover from the impact of the Covid-19 pandemic, we were able to ensure that health inequalities were a consideration in policy and decision making.

Scottish Community Link Worker Network (SCLWN)

The SCLWN was established by VHS in 2021 to enable Community Link Workers (CLWs) in primary care settings in Scotland to come together. The aim of the Network is to create a space for Community Link Workers to share learning and to develop, to network and support each other; and, importantly, improving outcomes for their patients and communities. The Network has again been made possible through a project grant from the Scottish Government Primary Care Division, together with support from Community Link Worker programmes across the country. The Network has continued to grow with the membership reaching over 350 this year.

Our first in-person Network Conference took place in May 2023 at The Studio in Glasgow where we welcomed 140 Community Link Workers, programme leads, third sector partners, guest speakers and exhibitors. Our keynote speakers were Maree Todd, Minister for Social Care, Mental Wellbeing and Sport and Gerry McCartney, Professor of Wellbeing Economy at the University of Glasgow. The conference programme also included a lively CLW/GP panel session with Deep End GPs from Glasgow and Community Link Workers from Edinburgh and Orkney, four workshops led by separate CLW teams and a variety of exhibitors, including Chest Heart and Stroke Scotland, Home Energy Scotland and Sight Scotland Veterans. Feedback on the day was extremely positive, with 100% of delegates rating the event

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as 'excellent' or 'good'. One delegate shared *"It's been a really great event. The knowledge and experience in the room was amazing. Really well run with excellent speakers."*

We ran a total of ten online engagement events, including knowledge exchange and peer support events. We hosted two events specifically for programme leads who have strategic responsibility for leading CLW teams and/or commissioning CLW programmes in their Health and Social Care Partnership area. We worked with the Scottish Government's Lifelong Learning and Skills Directorate to run an online session to enable CLWs to feed into the Scottish Government's independent review of community learning and development.

Amidst the ongoing concerns about the long-term sustainability of Scotland's Community Link Worker programme, we published our Essential Connections report, looking into the range and scope of Community Link Worker programmes in Scotland. This was the first report of its kind in Scotland, and has been recognised by the Scottish Government as an important piece of research which will influence future decisions about the programme.

We continue our active participation in the Primary Care Health Inequalities Reference Group, and were chosen to represent the voluntary sector and community link working at two separate meetings with the Cabinet Secretary for Health and Social Care. VHS is the third sector representative on the reference group for the Manchester University-led National Institute for Health and Care Research (NIHR) funded research project which is evaluating the national rollout of social prescribing link working in the UK, including Scotland.

During the year, VHS was active in addressing the proposed cuts to Glasgow Community Link Workers through discussions with relevant stakeholders. As part of this we posted a public blog 'Investing in Community Link Workers – Now or Never' which was recognised as a balanced and measured response to a challenging situation.

Ongoing Network communications are a crucial part of the project to further build engagement with the Network and to raise awareness of CLWs' work within primary care, and other health professionals as well as wider stakeholder groups. The reach of our communications continues to grow through dedicated channels including blogs, a monthly newsletter, and social media posts through X (Twitter) which has grown to over 500 followers.

Scottish Parliament Cross Party Group on Health Inequalities

We celebrated our ninth year as Secretariat to one of the largest CPGs, a role that means providing both leadership and support to a Group now comprising 106 external organisations and 5 MSPs.

In June, our meeting was focussed on racialised health. This meeting formed part of our continued focus on this topic throughout the year, including through our membership of the Ethnic Minorities National Resilience Network (convened by BEMIS – Black and Ethnic Minorities Infrastructure Scotland) and through engagement with the Scottish Government racialised health team and with Public Health Scotland's Organisational Lead for Inclusion Health. The meeting featured presentations from Melanie Weldon, Head of the Racialised Health Inequalities in Health and Social Care Team, Scottish Government and Shruti Jain, Organisational Lead for Inclusion Health at Public Health Scotland.

On the 4th October 2023, we held our second meeting including Co-Conveners Emma Harper MSP and Brian Whittle MSP on the topic: "A decent and dignified life" This meeting was part of the Challenge

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DIRECTORS' REPORT

Poverty Week with guest speakers, Dr Laura Robertson, Senior Research Officer, The Poverty Alliance discussing the Scottish Minimum Income Guarantee and Dr Naomi Richards, Senior Lecturer in Social Science at University of Glasgow covering 'Dying in the Margins' in conjunction with Marie Curie.

The third meeting was held in February 2024, with a focus on Data and Health inequalities. There were presentations from Rosie Seaman, Data Sourcing Manager and Layla Robinson Partnership and Strategy Director at Research Data Scotland alongside Kate O'Sullivan, Operational Lead, Grampian Data Safe Haven (DaSH).

During the Summer, we held a joint event between the CPG on Health Inequalities and the CPG on Inflammatory Bowel Disease on 'The Language of Poo' to explore health literacy in relation to the disease. This was held as part of the Festival of Politics in the Scottish Parliament and included, as speakers, Professor Jason Leitch, then Scottish Government National Clinical Director, and Dr Josephine Adekola, University of Glasgow.

Health Policy Officers' Network

The Health Policy Officers' Network was set up in 2016 and now has over 50 members. The network provides peer support for health policy officers and is jointly administered by VHS and the Royal National Institute of Blind People (RNIB) Scotland. The members are from a range of third sector organisations wishing to learn best practice from each other and involving external stakeholders. We utilise the Microsoft Teams channel to create a space for network members to share intelligence, horizon scan, discuss policy and highlight upcoming opportunities. The network hosted an in-person event, meeting with a variety of teams within the Scottish Parliament to explore best practice in engaging with a range of health-related topics, including the Human Rights Bill.

Other policy and consultation work

During the year, VHS was active in taking part in the consultation on the Human Rights Bill. This is a very complex subject, and the consultation really tested our legislative and policy understanding. We continued to persevere because of the potential of the Bill to impact on both the underlying determinants of health and on the right to health and access to services.

We held two engagement events during the consultation period, one online in August 2023 in partnership with the Health and Social Care Alliance (The ALLIANCE) Scotland and the Scottish Human Rights Consortium, with 77 participants. We followed that up with a Kitchen Table discussion in person at VHS' office for an invited group of 11 policy officers from across our membership. Our consultation response was informed strongly by this engagement.

Our response was submitted to the Scottish Government in October 2023. We focused primarily on the incorporation of rights within the International Covenant on Economic, Social and Cultural Rights (ICESCR) and how this legislation could be used to tackle the persistence of health inequalities. We argued that tackling inequality should be a central component of the Bill and needs to be more explicit. We also called for recognition of the limitations of universality without first targeting those most in need of support. We have made the case for inclusion health principles to be included in the associated guidance for the legislation.

In April 2023, we responded to two consultations about reforming the Freedom of Information legislation, one by the Scottish Government and the other related to Katy Clark MSP's Private Members' Bill. We emphasised that, whilst VHS supports the ambition of maintaining and strengthening people's

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access to information rights, we had concerns about the impact some of the proposals might have on the sustainability of the voluntary sector. We argued that it is vital to ensure that any new legislation does not create unnecessary administrative burdens for the third sector or lead to the unintended consequences of reducing public sector funding opportunities for smaller organisations.

In May 2023, we contributed to the Scottish Government National Outcomes review by bringing together Scottish Government officials with nearly 40 of our members during a meet-up event that month. We published the key messages from the discussion and shared with members and officials.

Communicating with our members and wider networks

The staff team maintained a high level of communication and engagement with members and other stakeholders, predominantly digitally and remotely. Our Membership and Administrative Officer who normally led on this work and compiled our regular e-bulletins retired from VHS in June 2023, and this work transitioned to the wider team until we recruited a Communications and Membership Officer who started in October. The e-Newsletter continued to be distributed to 1700 recipients each month and, where relevant, Full Members received additional e-Alerts, sharing news or opportunities that could not wait till the next month's mailing.

We were proactive in maintaining and developing high quality content for our website with frequent new content posting, which included news items, guest blogs by our members, policy briefings, key messages from recent events, consultation responses, events listings and presentations.

Social media continued to be a key channel for communication between VHS and key stakeholders with a focus on the use of Twitter (X) and LinkedIn to share content and to increase engagement with our website for further content, event and membership information. In February 2024, a new look e-Newsletter was launched with an improved format and branding which has been well received.

Other events and engagement

Our annual conference 'The Health Creators Summit' took place on 25 October at Dynamic Earth in Edinburgh. The then Cabinet Secretary for Health Michael Matheson MSP, gave a keynote speech. There were further keynote speeches from Lord Nigel Crisp (the inspiration behind the 'health creators' theme), and Angiolina Foster CBE, Chair of Public Health Scotland, amongst others. We were joined by over 120 delegates from across the third sector, NHS, Scottish Government, Scottish Parliament and beyond. We heard from a range of thought-provoking speakers about how we build a healthy and health-creating society while reducing inequalities. Tackling the social determinants of health was a key theme throughout, along with the power of the third sector in creating fair health. Sessions focused on mental health, social isolation and loneliness, health inequalities; and our annual poster competition shone a fabulous light on the work of the third sector in communities.

We hosted our AGM on 30th November 2023 at The Scottish Storytelling Centre in Edinburgh. It was followed by our Big Debate, with a well-informed panel exploring the topic, 'Shaping the Future of our Health and Healthcare'. The Big Debate was a thoughtful, and engrossing, conversation between a panel comprising five VHS Trustees, ably facilitated by Health and Care publisher John Macgill. The audience of 30 third sector delegates were drawn mainly from the VHS membership.

VHS celebrated our 20th Anniversary with an evening event on 27th March at the Scottish Storytelling Centre. The event included a reflection and celebration of the key achievements, research and publications through 20 years of VHS to address health inequalities across Scotland. The keynote presentation was from Cath Denholm, Interim Chief Executive, Equality and Human Rights Commission. The evening included a huge thank you to highly respected, departing Chief Executive, Claire Stevens

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for 12 years of distinguished service, alongside a warm welcome to Tejesh Mistry as VHS's incoming Chief Executive.

FINANCIAL REVIEW

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements. The charity recorded a net surplus of £13,041 (2023: £18,576) for the year before nil actuarial gains (2023: £40 actuarial gains). There was a surplus of £13,889 (2023: £22,481) on unrestricted funds and a deficit of £848 (2023: deficit of £3,865) on restricted funds, after nil actuarial gains (2023: £40 actuarial gains) on the pension scheme and transfers.

Total funds as at the year-end amounted to £196,710 (2022: £183,669) including £17,190 restricted funds (2023: £18,038) and £ 179,520 (2023: £165,631) unrestricted funds.

The company's principal funding during the year came by way of grants from the Scottish Government.

Reserves policy

The charitable company wishes to follow best practice and build up free reserves to a level that would cover six months' operating costs, in a normal year, which would be around £139,000. Free reserves as at 31 March 2024, being unrestricted non-designated funds before deduction of pension liability, were £179,889 (2023: £168,154).

Risk Management

The Risk Register is actively monitored and managed and is updated by the Chief Executive ahead of each Board meeting. Risk management is a standing item at each Board meeting.

The Directors continued to actively monitor the performance of the Scottish Voluntary Sector Pension Scheme run by The Pensions Trust and continued to make agreed payments to The Pensions Trust to reduce VHS's long-term liabilities to the scheme. The Directors actively monitored VHS's delivery of the annual work programme for the Scottish Government and ensured that VHS worked proactively with the Government concerning the annual grant awarded.

PLANS FOR FUTURE PERIODS

We have a focus on continuing to deliver our existing strategy 2022-25, supported with an annual work programme aligning to our objectives and to agreed annual deliverables for our Scottish Government commissioners. The strategy focusses on the purpose to create a healthier, fairer Scotland served by a thriving voluntary health sector and reaffirms our commitment to tackling health inequalities.

We have established ourselves at the 18 York Place office premises which provides for our business needs and continue as tenants of Relationships Scotland. Our staff team continues to work in a hybrid office and home working model and can enjoy a third sector office hub environment alongside Relationships Scotland and other tenants include Art in Healthcare, Parenting across Scotland, and Scottish Mediation.

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PLANS FOR FUTURE PERIODS (Cont'd)

We continue to receive the financial support of the Scottish Government Health and Social Care Directorate. The Government agreed to provide funding for a further financial year, at the same level as in 2022/23, giving us financial security for our core work through to March 2024. The continued additional project funding for developing the Scottish Community Link Worker Network provided through the Primary Care team has enabled us to boost our capacity in staffing numbers this year to meet the needs of our work programme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

VHS is a company limited by guarantee, governed by its Memorandum and Articles of Association, and recognised as a Scottish Charity. The Articles are available on the VHS website.

Election and co-option of Directors

The company's Directors act in a voluntary, unpaid capacity to provide strategic direction for the organisation and to fulfil the obligations of the Directors of the company. Together the Directors comprise the Board of Directors. The Articles set out the terms of appointment for Directors and the terms of office. A maximum of ten elected Directors and four co-opted Directors is permitted.

At the AGM meeting, 'The Big Debate, Shaping the Future of our Health and Care, held on Thursday 30 November 2023, the following five people were elected to join the Board of Trustees: Alan Eagleson, Jennifer Forsyth, Richard Meade, Paul Okroj, and Sarah van Putten. Christine Carlin was appointed Chair, having joined the Board in 2021. The election followed the retirement of the following four Trustees: Rob Murray, David Main, Nicola Sinclair, and Ian Bruce.

Induction and conduct of Directors

During the year, three Board meetings were held as well as a development day workshop. Directors engaged actively with the business of VHS in a wide range of ways, including advice to the Chief Executive and attendance at VHS events. New Directors received information to assist them to understand their remit and responsibilities, including VHS's Articles, three-year strategy, operational plan and the latest accounts. New Directors had online briefing meetings with the Chair and Chief Executive. The Directors and Chief Executive are considered to be the key management personnel.

Management of Staff

We have progressed with a hybrid model with staff working both from home and in the office with regular opportunities to meet together and to collaborate. Performance management and support was provided through regular one-to-one and team meetings, both online, by telephone, and in person.

Monthly in-person team meetings were continued to provide a regular contact point and to report on progress against the work programme for the year.

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REFERENCE AND ADMINISTRATIVE INFORMATION

Company Number

SC267315

Charity Number

SC035482

Directors

Rob Murray	Chair (Resigned 30 November 2023)
Christine Carlin	Chair from 30 November 2023
Maureen O'Neill	Vice-chair
Richard Meade	Treasurer (Appointed 30 November 2023)
David Main	Treasurer (Resigned 30 November 2023)
Bushra Riaz	
Nicola Sinclair	(Resigned 30 November 2023)
Emma Niemenen	
Ian Bruce	(Resigned 30 November 2023)
Wilma Paterson	
Paul Mooney	
Alan Eagleson	(Appointed 30 November 2023)
Jennifer Forsyth	(Appointed 30 November 2023)
Billy McClean	(Appointed 10 October 2023)
Paul Okroj	(Appointed 30 November 2023)
Sarah van Putten	(Appointed 30 November 2023)

Staff Team

Claire Stevens	Chief Executive (Retired 31 March 2024)
Tejesh Mistry	Chief Executive (Appointed 20 March 2024)
Lauren Blair	Events and Engagement Lead
Roisin Hurst	Project Manager Scottish Community Link Worker Network (1 Sept 2023)
Kellie Thomson	Communications and Membership Officer (2 October 2023)
Matthew James	Policy Engagement Lead (2 April 2024)

Company Secretary

Claire Stevens (Resigned 31 March 2024)

Registered Office and Operational Address

18 York Place
Edinburgh EH1 3EP

Independent Examiner

Louise Presslie CA
Whitelaw Wells Chartered Accountants
9 Ainslie Place
Edinburgh EH3 6AT

Bankers

Unity Trust Bank
9 Brindley Place
Birmingham B1 2HG

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DIRECTORS' REPORT

DIRECTORS AND THEIR RESPONSIBILITIES

Company law requires the 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 and of the surplus or deficit for that year.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006.

Approved by the Board of Directors on 4 November 2024 and signed on their behalf by:



Christine Carlin
Chair, VHS

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YEAR ENDED 31 MARCH 2024

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS

I report on the accounts for the year ended 31 March 2024 as set out on pages 11 to 24.

Respective responsibilities of the Trustees and the Independent Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) does not apply. It is my responsibility to examine the accounts 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 report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking 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 accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act, Regulation 4 of the 2006 Accounts Regulations (as amended) and section 386, 387, 477 and 482 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Louise Presslie CA
Whitelaw Wells Chartered Accountants
9 Ainslie Place
Edinburgh, EH3 6AT

Date: 4th November 2024

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**STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT**

YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from:					
Charitable activities	2	29,425	260,957	290,382	280,385
Investments					
Bank interest		233	-	233	820
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		29,658	260,957	290,615	281,205
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditure on:					
Charitable activities	3	3,190	274,384	277,574	262,449
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		3,190	274,384	277,574	262,449
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net income/(expenditure)		26,468	(13,427)	13,041	18,756
Transfers between funds	12	(12,579)	12,579	-	-
Actuarial gains/(losses)	15	-	-	-	40
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in funds		13,889	(848)	13,041	18,796
Reconciliation of funds:					
Total funds brought forward		165,631	18,038	183,669	164,873
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds carried forward	12	179,520	17,190	196,710	183,669
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The charity has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 13 to 24 form part of these financial statements.

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BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible fixed assets	7		892		729
Current assets					
Debtors	8	2,529		33,035	
Cash at bank and in hand		212,220		176,957	
		<u>214,749</u>		<u>209,992</u>	
Current liabilities					
Creditors: amounts falling due within one year	9	(18,562)		(24,529)	
Provision for liabilities due within one year	15	(369)		(2,153)	
		<u> </u>		<u> </u>	
Net current assets			195,818		183,310
Total assets less current liabilities			<u>196,710</u>		<u>184,039</u>
Provision for liabilities due in more than one year	15		-		(370)
Net assets	13		<u>196,710</u>		<u>183,669</u>
Funds					
Unrestricted funds: General fund			179,889		168,154
Designated funds			(369)		(2,523)
Restricted funds			17,190		18,038
	12		<u>196,710</u>		<u>183,669</u>

The Directors are satisfied that the charitable company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477 and that no member or members have requested an audit pursuant to section 476 of the Act. The Directors acknowledge their responsibility for:

- (i) ensuring that the charitable company keeps proper accounting records which comply with sections 386 and 387 of the Act; and
- (ii) preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Act.

Approved by the Board on 4th November 2024 and signed on its behalf by:



Christine Carlin, Chair

The notes on pages 13 to 24 form part of these financial statements.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

The charity constitutes a public benefit entity.

VHS has confirmed funding to support its core and project activities from the Scottish Government until 31st March 2025. VHS maintains regular contact with its funders, reporting on progress and discussing plans for the future. The Directors anticipate agreeing a further business case with funders during the fourth quarter of 2024/25. In expectation of continued support, the Directors have continued to adopt the going concern basis of accounting.

(b) Income

All income is included in the Statement of Financial Activities when the charity has entitlement and the amount can be quantified with reasonable accuracy. Income is only deferred where it is specified for a future period by the funder or where pre-entitlement conditions have not been met. The following specific policies are applied to particular categories of income:

- Income from charitable activities is recognised in the Statement of Financial Activities when the charity becomes unconditionally entitled to the income. Where related to performance and specific deliverables, income is accounted for as the charity earns the right to consideration by its performance.
- Income from subscriptions, conference, service fees and investment are included when receivable.
- The value of services provided by volunteers has not been included in the accounts.

(c) Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. The charity is not registered for VAT and, accordingly, costs are shown gross of irrecoverable VAT.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its members.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

(d) Depreciation

Assets are initially included at cost. Items of expenditure are only capitalised where the purchase price exceeds £500. Depreciation is calculated to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Computers - 25% straight line

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

(e) Operating lease agreements

Rentals applicable to operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged against the Statement of Financial Activities on a straight-line basis over the life of the lease.

(f) Funds

Unrestricted funds are income received for the objects of the charity without further specified purpose and are available for use at the discretion of the directors.

Designated funds are unrestricted funds allocated by the Directors for a particular purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure meeting these criteria is charged to the fund.

(g) Pensions

The Charity is a participating employer in The Pensions Trust Scottish Voluntary Sector Pension Scheme ("The Scheme"), which provided benefits based on final pensionable pay. The Scheme closed to future accrual on 31 March 2010. The assets of the Scheme are held separately from those of the charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the shares of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer Scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Consequently, the Board of Trustees have followed the FRS102 requirement to account for the contributions to the scheme as if it were a defined contribution scheme and to include on the balance sheet a provision for the present value of the deficit reduction payment plan.

The Charity now provides pension contributions for employees to defined contribution schemes.

(h) Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as "basic" in accordance with FRS 102 s11 and are accounted for at the settlement amount due which equates to the cost or amount prepaid. Financial assets comprise cash and other debtors and financial liabilities comprise accruals.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

2. Income from charitable activities

	Unrestricted Funds £	Restricted funds £	2024 Total £	2023 Total £
Grants receivable				
Scottish Government	-	195,000	195,000	195,000
Scottish Government – SCLWN*	-	65,957	65,957	63,260
	-----	-----	-----	-----
	-	260,957	260,957	258,260
Research, evaluation & reporting fees	10,700	-	10,700	-
Event income	10,111	-	10,111	14,115
Membership subscriptions	8,614	-	8,614	8,010
	-----	-----	-----	-----
	29,425	260,957	290,382	280,385
	=====	=====	=====	=====

*SCLWN is the Scottish Community Link Worker Network

During the year there were restricted grants amounting to £260,957 (2023: £258,260). All other income was unrestricted in both the current and previous years.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

3. Expenditure on charitable activities

	2024	2023
	Total	Total
	£	£
Office equipment	980	-
Events and communications	17,313	21,420
Staff costs (Note 5)	179,988	180,020
Other staff costs inc recruitment	11,443	482
Rent and service charges	9,397	8,382
Other overhead costs	18,567	15,625
Legal and professional fees	9,210	1,196
Project costs *	27,292	31,634
Depreciation	379	243
Pension scheme interest payable (Note 15)	70	504
<u>Governance costs</u>		
Independent examiner's fees	2,640	2,400
Board meeting and development costs	295	543
	277,574	262,449
	277,574	262,449

Included above is restricted expenditure amounting to £274,384 (2023: £261,945).

*Direct project costs for SCLWN excluding staff employed by VHS

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

4. Net income/(expenditure) for the year

	2024	2023
This is stated after charging:	£	£
Independent examiner's remuneration	2,640	2,400
Depreciation	379	243
Operating lease rentals:		
Land and buildings	8,825	12,236

Three (2023: one) board members were reimbursed travel expenses during the year amounting to £100 (2023: £35) in total.

The charity paid £932 (2023: £872) during the year for the purchase of insurance that included indemnity cover to protect the charity from loss arising from the neglect or default of its Directors, employees or other officers and the consequences of any such neglect or default.

5. Staff Costs

	2024	2023
	£	£
Salaries and wages	159,119	157,943
Employer's social security costs	11,109	12,708
Employer's pension costs	9,760	9,369
	179,988	180,020
	179,988	180,020

The average number of employees during the year, on a head count basis, was as follows:

	2024	2023
	4.25	5
	4.25	5

One employee was paid a salary of more than £60,000 (2023: none) and no director received any remuneration (2023: none). Key management personnel received total remuneration, including employer pension contributions and employer national insurance contributions, amounting to £60,218 (2023: £59,211) during the year.

6. Taxation

The company is exempt from corporation tax on its charitable activities.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

7. Tangible Fixed Assets

	Computer equipment £	Total £
Cost		
At 1 April 2023	2,176	2,176
Additions	542	542
	-----	-----
At 31 March 2024	2,718	2,718
	=====	=====
Depreciation		
At 1 April 2023	1,447	1,447
Charge	379	379
	-----	-----
At 31 March 2024	1,826	1,826
	=====	=====
Net Book Value		
At 31 March 2024	892	892
	=====	=====
At 31 March 2023	729	729
	=====	=====

8. Debtors

	2024 £	2023 £
Trade debtors	159	2,286
Grants	-	18,978
Prepayments	2,370	11,771
	-----	-----
	2,529	33,035
	=====	=====

9. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals	12,934	16,926
PAYE and NI	4,424	4,165
Pension contributions	1,204	1,209
Deferred income (Note 10)	-	2,229
	-----	-----
	18,562	24,529
	=====	=====

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

10. Deferred income

	Subscriptions £	Total 2024 £	Total 2023 £
Balance at 1 April 2023	2,229	2,229	1,576
Released to Statement of Financial Activities	(2,229)	(2,229)	(1,576)
Income received and deferred in year	-	-	2,229
	-----	-----	-----
Balance at 31 March 2024	-	-	2,229
	=====	=====	=====

11. Operating lease commitments

At 31 March 2024 the charity had aggregate commitments under non-cancellable operating leases for rent and service charges payable as set out below:

	2024 £	2023 £
Payable within one year	1,925	1,750
	=====	=====

12. Funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	Gains/ losses £	At 31 March 2024 £
Unrestricted funds						
General funds	168,154	29,658	(3,120)	(14,803)	-	179,889
Designated funds:						
Pension provision	(2,523)	-	(70)	2,224	-	(369)
	-----	-----	-----	-----	-----	-----
	165,631	29,658	(3,190)	(12,579)	-	179,520
	-----	-----	-----	-----	-----	-----
Restricted funds						
Strategic work programme	932	195,000	(208,511)	12,579	-	-
Scottish Government SCLWN	17,106	65,957	(65,873)	-	-	17,190
	-----	-----	-----	-----	-----	-----
	18,038	260,957	(274,384)	12,579	-	17,190
	-----	-----	-----	-----	-----	-----
Total funds	183,669	290,615	(277,574)	-	-	196,710
	=====	=====	=====	=====	=====	=====

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

12. Funds (continued)

The designated pension provision fund represents the liability for pension deficit recovery payments, as explained at note 15.

The funding grant is provided to deliver an annual work plan agreed with the Scottish Government, in furtherance of VHS's objectives as the national intermediary body for the voluntary health sector in Scotland. The shortfall in funding is met from the charity's general funds.

The Scottish Government provides a grant to VHS to develop the Scottish Community Link Worker Network (SCLWN). The aim of the Network is to create a space for Community Link Workers to share learning and to develop, network and support each other to improve outcomes for their patients and communities.

The following table is the funds note for the year ended 31 March 2023 for comparative purposes:

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	Gains/ losses £	At 31 March 2023 £
Unrestricted funds						
General funds	147,654	22,945	(426)	(2,019)	-	168,154
Designated funds:						
Pension provision	(4,504)		(78)	2,019	40	(2,523)
	143,150	22,945	(504)	-	40	165,631
Restricted funds						
Strategic work programme	20,539	195,000	(214,607)	-	-	932
Scottish Government SCLWN	1,184	63,260	(47,338)	-	-	17,106
	21,723	258,260	(261,945)	-	-	18,038
Total funds	164,873	281,205	(262,449)		40	183,669

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

13. Analysis of funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	892	-	892
Net current assets	178,628	17,190	195,818
	_____	_____	_____
At 31 March 2024	179,520	17,190	196,710
	=====	=====	=====

14. Related party transactions

There were no transactions with related parties undertaken in either the current or previous year.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

15. Pensions

The company participates in the Scottish Voluntary Sector Pension Scheme (“the scheme”), a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 May 2024: £1,473,969 per annum (payable monthly and increasing by 3% each year on 1st April).

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2034.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2026: £1,404,638 per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2019 to 30 September 2027: £136,701 per annum (payable monthly and increasing by 3% each on 1st April)

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

15. Pensions (continued)

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

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	2024	2023
	£	£
Present value of provision for Voluntary Health Scotland	369	2,523
	<u> </u>	<u> </u>

Reconciliation of Opening and Closing Provisions

	2024	2023
	£	£
Provision at start of period	2,523	4,504
Unwinding of the discount factor (interest expense)	70	78
Deficit contribution paid	(2,224)	(2,019)
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	(40)
	<u> </u>	<u> </u>
Provision at end of period	369	2,523
	<u> </u>	<u> </u>

Income and Expenditure Impact

	2024	2023
	£	£
Interest expense	70	78
Remeasurements – impact of any change in assumptions	-	-
Remeasurements – amendments to the contribution schedule	-	(40)
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	9,760	9,369

Assumptions

	2024	2023	2022
Rate of discount (% per annum)	4.90	5.40	2.30

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

15. Pensions (continued)

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

	2024	2023
	£	£
Year 1	370	2,153
Year 2	-	370

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

Employer Debt on Withdrawal

Voluntary Health Scotland has been notified by The Pensions Trust of the estimated employer debt on complete withdrawal from The Scottish Voluntary Sector Pension Scheme, based on the financial position of the Scheme as at 30 September 2023. At this date the estimated employer debt for Voluntary Health Scotland was £29,983, which includes the provision recognised in the financial statements above. The Directors have no intention of withdrawing from the scheme in the foreseeable future.