



VOLUNTARY HEALTH SCOTLAND
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

CHARITY NO: SC035482

COMPANY NO: SC267315

WHITELAW WELLS

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

VOLUNTARY HEALTH SCOTLAND

YEAR ENDED 31 MARCH 2025

DIRECTORS' REPORT

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VOLUNTARY HEALTH SCOTLAND

YEAR ENDED 31 MARCH 2025

DIRECTORS' REPORT

The Directors, who are trustees for the purposes of charity law, have the pleasure of presenting their report for the year to 31 March 2025.

OBJECTIVES AND ACTIVITIES

Voluntary Health Scotland (VHS) exists to create a healthier, fairer Scotland served by a thriving voluntary health sector. VHS is a membership organisation, with our members comprising third sector organisations working across Scotland supporting people's health and wellbeing, tackling inequalities, and researching and advocating for better health systems and policies. Beyond our own members, we work 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 academic organisations.

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 final year of our three-year strategy and covers the period April 2022 to March 2025.

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DIRECTORS' REPORT

ACHIEVEMENTS AND PERFORMANCE

Summary

The twelve months covered by our report have been filled with meaningful engagement with our members and wider stakeholders. This report reflects the strengthening of those relationships together with the success achieved in delivering a successful work programme for the year. During this period, we are delighted that our membership has continued to grow, and proud to have provided our 203 members with valuable opportunities created to share and improve knowledge, understanding and good practice in addressing health inequalities. We continued to provide a strong voice for members, influencing key policy themes relevant to health inequalities across Scottish Government and with wider policy makers.

Throughout this year, VHS celebrated our 20th Anniversary and we took the opportunity to revisit and reflect on our 20 years of valuable achievements and success. In June 2024, we were delighted that Emma Harper MSP published a parliamentary motion on behalf of VHS which celebrated “the immense contribution to health-related policy that has been made by Voluntary Health Scotland and its members over the last 20 years, in particular its significant influence on the policy areas of social isolation, loneliness and health inequalities.”

VHS members are crucial to the efficacy and influence of our organisation, and this was reflected in the wide range of engagement, influencing and consultation work that we carried out throughout the year by the VHS team. In February 2025, VHS introduced free membership to third sector organisations in Scotland with the focus on growing and diversifying our membership. The annual work programme was focussed around our core pillars of working through strong policy and advocacy activity. Additionally, we provided support for the Health Policy Officers' Network (HPON), the continued growth and development of the Scottish Community Link Worker Network (SCLWN), undertook Secretariat support to the Cross-Party Group on Health Inequalities, and delivered a varied engagement programme to convene partners and members.

Within the year we coordinated over thirty events for our members and stakeholders, giving wide-ranging opportunities for connection and collaboration, and welcomed over 1,200 attendees. The largest events held within the year were our two highly-regarded national Conferences welcoming over 350 attendees: our Annual Conference in October 2024 with the theme ‘Scotland’s Vital Health Sector’, and our Annual Scottish Community Link Worker Network Conference in May 2024 with the theme ‘Essential Connections’.

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 wider audience; and we played a key role in making effective, cross-sectoral collaboration on health more normal and valued.

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DIRECTORS' REPORT

Scottish Parliament Cross Party Group on Health Inequalities

We celebrated our tenth year as Secretariat to one of the largest Cross Party Groups (CPG), a role that means providing both leadership and support to a Group now comprising 121 external organisations and five MSPs. During the year we convened three CPG meetings bringing together different voices from politicians, third and community sector representatives, academia, and the public sector to stimulate discussion across the chosen topics.

In September 2024, our CPG meeting was focussed on 'Third Sector and Health Inequalities'. The focus on this theme was timely as it came at a point when third sector organisations were facing severe resource and funding challenges that created overall sustainability concerns for them. Within this meeting we had powerful presentations from Steven Sweeney, CEO, Voluntary Action South Lanarkshire (VASLan) on the impact of funding cuts on health and their high profile #Keepthebeatalive campaign. We also heard from Allan Faulds, Senior Policy Officer from the Health and Social Care Alliance Scotland (the ALLIANCE) on how the social care sector as a whole has been stretched to the limit. We also heard from our Chief Executive on how vital the third sector is as part of the health system in Scotland and in particular the role voluntary organisations play within communities in preventing health inequalities.

In December 2024, the theme for the CPG meeting was Health Equity Research where we were joined by Professor Katherine Smith, Co-lead of the newly formed Scottish Health Equity Research Unit (SHERU) alongside her colleague Allison Catalano, Knowledge Exchange Fellow. Members heard an overview of the approaches SHERU would be taking in their research, the Scottish health inequalities context, and the focus for SHERU future research, including analysis of the effectiveness of policy implementation.

The final CPG meeting for the year took place in February 2025 and included an insightful and moving presentation on the topic of Human Rights and Health Inequalities by Charlie McMillan, Interim Director of the Human Rights Consortium Scotland. Our Chief Executive provided an introduction which set the context in relation to VHS members, and the importance of human rights approaches in addressing health inequalities for people struggling with poverty, housing and health challenges.

During Summer 2024, we held an event on behalf of the CPG at the Festival of Politics 2024 in the Scottish Parliament. Attended by 80 people, the topic was Health Creators: Health Inequalities in Scotland. The event was Chaired by CPG Co-Convenor Emma Harper MSP and featured a lively panel discussion with: Wendy Sinclair-Gieben (HM Chief Inspector of Prisons for Scotland), Maree Aldam (Chief Executive of Amma Birth Companions), Peter Kelly (Chief Executive of The Poverty Alliance), Danny Boyle (Senior Parliamentary & Policy Officer at BEMIS), and Tejesh Mistry (Chief Executive, Voluntary Health Scotland).

Scottish Community Link Worker Network (SCLWN)

The SCLWN was established by VHS in 2021 to provide Community Link Workers (CLWs) working in primary care settings in Scotland with a supportive community. The Network has continued to go from strength to strength. It creates a space for Community Link Workers to share learning and to develop, to network and support each other; and, importantly, is helping to improve 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 360 Link Workers and Programme Leads from across Scotland during the year.

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SCLWN has hosted fourteen events through the year welcoming nearly 500 attendees to engage across knowledge exchanges, peer support sessions, focus groups, and workshops. The CLWs have responded very positively about the level of engagement provided and the quality of the events and training delivered including opportunities to contribute directly to independent reviews and our annual in-person conference.

We delivered our second highly-successful annual in-person Conference 'Essential Connections' which took place in May 2024 in Glasgow. The event brought together 200 attendees including Community Link Workers, Programme Leads, third sector partners, guest speakers and seventeen exhibiting partners. The keynote speakers for the event included Catherine Labinjoh, Realistic Medicine National Clinical Advisor and Neil Gray MSP, Cabinet Secretary for Health and Social Care who highlighted the importance of Community Link Worker Programmes and the need to grow and sustain the work delivered nationally.

The conference programme also included a Community Link Worker panel session, roundtable discussions hosted by The Community Health Exchange (CHEX) and Social Security Scotland and an update on the Manchester University-led National Institute for Health & Care Research (NIHR) research into the evaluation of Social Prescribing Link Working in the UK.

To further develop the community of practice within CLWs, VHS coordinated multiple training opportunities for network members through the year. For example - 'Scotland Benefits Training' by Age Scotland, 'Induction training' for new Community Link Workers by Bromley-by-Bow, and a Neurodiversity workshop hosted by the Salvesen Mindroom Centre.

As a key learning and sharing opportunity for CLWs we continued to host Knowledge Exchange events. Over the course of the year, we ran four events, in April, September, November and January, featuring speakers from Sight Scotland Veterans, The Stroke Association, GamCare, Survivors of Human Trafficking in Scotland, Reengage, Diabetes Scotland, Paths for All, Scottish Families Affected by Alcohol and Drugs, Breast Cancer Now, The Singing for Health Network and Making Music. 106 CLWs attended across the four events to hear presentations and engage in question-and-answer opportunities with the speakers. In addition, responding to CLWs' needs, we organised two peer support events – one in partnership with NHS Lanarkshire on trauma and vicarious trauma and the second, on a range of topics including mental health, policy and training.

We continued to utilise the VHS report, 'Essential Connections: exploring the range and scope of Community Link Worker programmes in Scotland'. Our report is helping to inform CLW policy development at a national level and VHS is part of the Scottish Government Primary Care Directorate's National CLW Advisory Group undertaking a review community link working in Scotland. VHS and SCLWN were selected to present their research findings and poster to delegates at the NHS Scotland Conference in June.

We continued in the role as a third sector representative on the reference group for the Manchester University-led National NIHR funded research project which is evaluating the national rollout of social prescribing link working in the UK, including Scotland. The research is due to be completed by 2026 and will provide valuable insight in the performance and success factors of link worker programmes across the UK which can then be used to inform future policy and development of a national community link worker framework for the future.

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Regular and high-quality communications are a crucial part of the Network development to further build engagement with the Network and to raise awareness of CLWs' work within primary care, and amongst other health professionals as well as wider stakeholder groups. The reach of our SCLWN communications continues to grow through dedicated channels including blogs, a monthly newsletter, and dedicated social media platforms.

We worked with an independent videographer to produce four films and two podcasts to promote the work of CLWs, their role in general practice and their impact on patients. Filming took place with programmes in Dundee, Perth and Kinross and Edinburgh, capturing powerful personal testimonies from CLWs, patients and GPs. The films were launched in February 2025 with an endorsement from Neil Gray MSP, Cabinet Secretary for Health and Social Care and they have received excellent coverage across partner newsletters and media. These personal stories brought to life the experiences and challenges faced by patients that experienced support from community link workers in the four areas. They highlighted the critical support provided and the breadth of support made available through the wider community and local third sector. The films were utilised in the lead up to and during Social Prescribing Day 2025 where we shared key messages about the vital importance of social prescribing to community health and wellbeing.

Health Policy Officers' Network

The Health Policy Officers' Network (HPON) was set up in 2016 and has grown to a significant membership of over 60 Policy Officers from a wide range of our member organisations. 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 share best practice and providing the opportunity to engage with relevant external stakeholders. During the year HPON held multiple network meetings. This included a session with VHS and SCLWN members and The Scottish Parliament Information Centre (SPICe) to develop knowledge of the Scottish Parliament and public affairs with a focus on the Health, Social Care and Sport Committee.

Policy and Public Affairs

During the year we took part in a variety of policy consultations relevant to our members. Submissions were made to the Disclosure Scotland Fees consultation, Third Sector Funding Principles consultation and a consultation reviewing the Framework on a multi-agency approach to mental health distress. Additionally, we responded to the National Good Food Nation Plan consultation and the Restricting Promotions of Food and Drink High in Fat, Sugar or Salt consultation through our memberships of the Scottish Obesity Alliance and the Noncommunicable Disease (NCD) Alliance.

As part of the Disclosure Scotland Fees consultation VHS opposed the introduction of new fees, highlighting the additional barriers that would be created for volunteers and third sector organisations when recruiting volunteers - amid a wider context of falling volunteer numbers. Following on from the consultation, proposals by the Scottish Government to introduce additional fees were withdrawn.

At our Annual Conference in October, we identified that members had experienced little engagement with the consultation of the new Scottish Government Population Health Framework. VHS therefore engaged with colleagues at Public Health Scotland (PHS) and we subsequently hosted a series of three events with members to seek feedback on the emerging themes of the Framework from a third sector

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perspective. This partnership working with Public Health Scotland led to PHS Chief Executive Paul Johnston joining the VHS AGM event in November 2024 as a keynote speaker.

During the year VHS engaged with Health Ministers to share the emerging strategy direction for 2025-2030, to discuss challenges faced by the third sector in terms of infrastructure, sustainability and policy implementation; and to discuss the importance of social prescribing approaches and the vital role of Community Link Workers. This work included Tejesh Mistry, Chief Executive and Christine Carlin, Chair meeting with Cabinet Secretary for Health and Social Care Neil Gray MSP and Maree Todd MSP Minister for Social Care Mental Wellbeing and Sport. We hosted a visit from Jenni Minto MSP Minister for Public Health and Women's Health.

VHS has active membership and involvement across a number of policy related networks, research partnerships, committees and Advisory Boards. Within the year, VHS was invited by the Cabinet Secretary for Health and Social Care to join the Primary Care and Community Health Steering Group as a third sector representative. VHS was also invited to join the Mental Health Partnership Group (PDG) led by Scottish Police Authority and was a partner in the publication of the Framework for Collaboration in February 2025. Notably, VHS was active within the year in groups related to the Scottish Vaccination and Immunisation Programme, Social Isolation and Loneliness Advisory Group, The Inclusion Health Partnership (PHS) and the Ethnic Minority - Race, Equality and Human Rights Network.

Communicating with our members and wider networks

Our communications focussed on bringing to our members' attention policy news and engagement opportunities. Sharing stories and raising awareness of the work and impact of our members in addressing health inequalities was another key part of the Communications work. We were proactive in maintaining and developing high quality communications content for our monthly e-newsletter, our website and preferred social media platforms.

As part of our communications strategy, we increased the use of video content including the promotion of SCLWN video stories to stakeholders to showcase the impact of such work. As part of our social media strategy, we created a VHS BlueSky Account and increased our presence on LinkedIn through increased content sharing. We regularly shared news items, guest blogs by our members, policy briefings, key messages from recent events, consultation responses, events listings, and presentations to provide varied content for members.

Wider events and engagement

We hosted our 2024 Annual Conference on the 23 October at Dynamic Earth in Edinburgh. The event welcomed over 130 attendees from a range of organisations who work to mitigate health inequalities across Scotland. The focus of the event was about the vital role such organisations play in creating fairer health outcomes for individuals, families and communities. Throughout the day, the event heard from a range of inspirational speakers, including facilitated round table discussions and featured the highly contested annual member Poster Competition which was won by The Sorted Project. The day was supported by fourteen exhibiting partners and was chaired by Jane-Claire Judson, Chief Executive, Chest, Heart and Stroke Scotland. Other speakers included: Professor Linda Bauld (Chief Social Policy Advisor, Scottish Government and Co-Head of Centre for Population Health Sciences, University of Edinburgh), Martyn Evans, (Chair, Scottish Police Authority), Professor Andrea Williamson, (Professor of

General Practice and Inclusion Health, University of Glasgow), Ewan Aitken, (Chief Executive, Cyrenians) and a selection of panellists.

Our AGM 'From Crisis to Control-Preventing the Ticking Time Bomb of Population Health' event took place in November 2024 online with nearly 80 attendees. The event featured a presentation from Paul Johnston, (Chief Executive of Public Health Scotland) followed by discussion. There were some inspiring member insights with a focus on prevention delivered by representatives from The Sorted Project, Family Fund and Edinburgh Community Health Forum.

In February 2025 VHS attended the Scottish Council for Voluntary Organisations (SCVO) Gathering. The team engaged with hundreds of delegates over the two-day period. Our Chief Executive joined First Minister John Swinney MSP as part of a panel discussion to ask a question on behalf of the third sector. VHS hosted a sold-out event titled 'Catalysts for Change - The Role of Third Sector Leaders in Health Creation' chaired by Kezia Dugdale (Director, Centre for Public Policy). The panellists for this event comprised of Angiolina Foster, (Chair, Public Health Scotland), Richard Meade, (Director of Devolved Nations, Carers UK), Justina Murray, (Chief Executive, Scottish Families Affected by Alcohol and Drugs), James Jopling, (Director for Scotland, Parkinsons UK) and Tejesh Mistry, (Chief Executive, Voluntary Health Scotland).

As part of each event, we record the key messages from the day which were disseminated to attendees and published through our website and other communications channels for our members and stakeholders. These key messages form a helpful basic for further engagement with members around key policy themes.

As we approached the end of our existing Strategy 2022-2025, we carried out a sequence of activities within the year to engage with stakeholders about an emerging new VHS strategic plan for 2025-30. This programme of activities included multiple key stakeholder workshops, workshops with the VHS staff and Board of Trustees and a membership survey in addition to informal engagement with other members and partners. The outputs of these activities will form the basis of our new Strategic Plan to be published in Autumn 2025.

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 £19,772 (2024: £13,041) for the year before nil actuarial gains (2024: nil). There was a surplus of £13,911 (2024: £13,889) on unrestricted funds and a surplus of £5,861 (2024: deficit of £848) on restricted funds, after nil actuarial gains (2024: nil) on the pension scheme and transfers.

Total funds as at the year-end amounted to £216,482 (2024: £196,710) including £23,051 restricted funds (2024: £17,190) and £193,431 (2024: £179,520) unrestricted funds.

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

Reserves policy

As a charitable company we wish 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 £140,000. Free reserves as at 31 March 2025, being unrestricted non-designated funds before deduction of pension liability, were £193,431 (2024: £179,889).

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YEAR ENDED 31 MARCH 2025

DIRECTORS' REPORT

Risk Management

We have an established risk management procedure and risk matrix document which is maintained by the CEO and reviewed by Directors throughout the year. It covers health and safety, premises, IT systems, reputation, Governance and compliance as well as financial risks to the charity.

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 implemented a sequence of strategy development activities throughout the year with internal and external stakeholders to inform our new strategic plan. Our new Strategic Plan 2025-2030 will provide a five-year strategy supported by an implementation plan that will be launched in the Autumn 2025. The strategic plan will continue to deliver against the core purpose of VHS and take forward a policy direction set out in our Manifesto 2026 due to be published in Autumn 2025. The manifesto will be used in the run up to the Scottish Parliamentary 2026 Elections and through the next Scottish Parliamentary term.

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

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 for the previous 10 years, giving VHS financial security for our core work through to March 2025. The continued additional project funding for developing the Scottish Community Link Worker Network provided through the Primary Care team has been funded for an additional year to March 2025.

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.

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DIRECTORS' REPORT

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, 'From Crisis to Control: Preventing the Ticking Time Bomb in Population Health' held on Thursday 28 November 2024, the following two people resigned from their positions as elected members of the Board of Trustees: Maureen O'Neill, Vice-Chair and Wilma Paterson. No new Trustees were elected at this meeting. As required by Articles, Christine Carlin, and Emma Niemenen retired as elected members.

The following members: Christine Carlin, and Emma Niemenen were reappointed by the Board as co-opted members following the VHS AGM. Paul Mooney and Billy McClean continue as co-opted members, and Paul Mooney was appointed Vice Chair.

Induction and conduct of Directors

During the year, four Board meetings were held as well as Board development 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 of VHS receive a pack of material to assist them to understand their remit and responsibilities, including VHS's Articles, three-year strategy, operational plan and the latest accounts. Any new Directors are also invited to attend 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 continue to support a hybrid model of working with staff working both from home and in the office with regular opportunities to meet together and to collaborate. Performance management and support is provided through regular one-to-one and team meetings, both online, by telephone, and in person.

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

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YEAR ENDED 31 MARCH 2025

DIRECTORS' REPORT

REFERENCE AND ADMINISTRATIVE INFORMATION

Company Number
SC267315

Charity Number
SC035482

Directors

Christine Carlin	Chair
Maureen O'Neill	Vice-chair (Resigned 28 November 2024)
Paul Mooney	Vice-chair
Richard Meade	Treasurer
Bushra Riaz	
Emma Niemenen	
Wilma Paterson	(Resigned 28 November 2024)
Alan Eagleson	
Jennifer Forsyth	
Billy McClean	
Paul Okroj	
Sarah van Putten	

Staff Team

Tejesh Mistry	Chief Executive
Lauren Blair	Events and Engagement Lead
Matthew James	Policy Lead (April 2024 - Dec 2024)
Roisin Hurst	Project Manager Scottish Community Link Worker Network
Kellie Thomson	Communications and Membership Officer

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 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 **21 October 2025** and signed on their behalf by:

Add signature

Christine Carlin
Chair, VHS

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YEAR ENDED 31 MARCH 2025

INDEPENDENT EXAMINER'S REPORT FOR THE MEMBERS

I report on the accounts for the year ended 31 March 2025 as set out on pages 13 to 26.

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

Date:

VOLUNTARY HEALTH SCOTLAND
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income from:					
Charitable activities	2	22,730	274,367	297,097	290,382
Investments					
Bank interest		22	-	22	233
Total		<u>22,752</u>	<u>274,367</u>	<u>297,119</u>	<u>290,615</u>
Expenditure on:					
Charitable activities	3	1	277,346	277,347	277,574
Total		<u>1</u>	<u>277,346</u>	<u>277,347</u>	<u>277,574</u>
Net income/(expenditure)		22,751	(2,979)	19,772	13,041
Transfers between funds	12	(8,840)	8,840	-	-
Actuarial gains/(losses)	15	-	-	-	-
Net movement in funds		13,911	5,861	19,772	13,041
Reconciliation of funds:					
Total funds brought forward		<u>179,520</u>	<u>17,190</u>	<u>196,710</u>	<u>196,710</u>
Total funds carried forward	12	<u><u>193,431</u></u>	<u><u>23,051</u></u>	<u><u>216,482</u></u>	<u><u>196,710</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 15 to 26 form part of these financial statements.

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BALANCE SHEET AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible fixed assets	7		514		892
Current assets					
Debtors	8	2,997		2,529	
Cash at bank and in hand		229,108		212,220	
		<u>232,105</u>		<u>214,749</u>	
Current liabilities					
Creditors: amounts falling due within one year	9	(16,137)		(18,562)	
Provision for liabilities due within one year	15	-		(369)	
		<u> </u>		<u> </u>	
Net current assets			215,968		195,818
Total assets less current liabilities			<u>216,482</u>		<u>196,710</u>
Provision for liabilities due in more than one year	15		-		-
Net assets	13		<u>216,482</u>		<u>196,710</u>
Funds					
Unrestricted funds: General fund			193,431		179,889
Designated funds			-		(369)
Restricted funds			23,051		17,190
	12		<u>216,482</u>		<u>196,710</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 2025 and signed on its behalf by:

Christine Carlin, Chair

The notes on pages 15 to 26 form part of these financial statements.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

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 2026. VHS maintains regular contact with its funders, reporting on progress and discussing plans for the future. 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

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

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 2025

2. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Grants receivable				
Scottish Government	-	195,000	195,000	195,000
Scottish Government – SCLWN*	-	79,367	79,367	65,957
	<u>-</u>	<u>274,367</u>	<u>274,367</u>	<u>260,957</u>
Research, evaluation & reporting fees	4,250	-	4,250	10,700
Event income	11,072	-	11,072	10,111
Membership subscriptions	7,408	-	7,408	8,614
	<u>22,730</u>	<u>274,367</u>	<u>297,097</u>	<u>290,382</u>

*SCLWN is the Scottish Community Link Worker Network

During the year there were restricted grants amounting to £274,367 (2024: £260,957). 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 2025

3. Expenditure on charitable activities

	2025	2024
	Total	Total
	£	£
Office equipment	310	980
Events and communications	11,702	17,313
Staff costs (Note 5)	204,593	179,988
Other staff costs inc recruitment	1,011	11,443
Rent and service charges	9,407	9,397
Other overhead costs	14,056	18,567
Legal and professional fees	8,964	9,210
Project costs *	23,426	27,292
Depreciation	378	379
Pension scheme interest payable (Note 15)	1	70
<u>Governance costs</u>		
Independent examiner's fees	2,680	2,640
Board meeting and development costs	819	295
	—————	—————
	277,347	277,574
	=====	=====

Included above is restricted expenditure amounting to £277,346 (2024: £274,384).

*Direct project costs for SCLWN excluding staff employed by VHS

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

4. Net income/(expenditure) for the year

	2025	2024
This is stated after charging:	£	£
Independent examiner’s remuneration	2,680	2,640
Depreciation	378	379
Operating lease rentals:		
Land and buildings	8,717	8,825

Three (2024: three) board members were reimbursed travel expenses during the year amounting to £407 (2024: £100) in total.

The charity paid £970 (2024: £932) 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

	2025	2024
	£	£
Salaries and wages	179,900	159,119
Employer’s social security costs	13,663	11,109
Employer’s pension costs	11,030	9,760
	204,593	179,988
	204,593	179,988

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

	2025	2024
	4.75	4.25
	4.75	4.25

One employee received remuneration of more than £60,000 (2024: one) and no director received any remuneration (2024: none). Key management personnel received total remuneration, including employer pension contributions and employer national insurance contributions, amounting to £63,681 (2024: £60,218) 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 2025

7. Tangible Fixed Assets

	Computer equipment £	Total £
Cost		
At 1 April 2024	2,718	2,718
Additions	-	-
	-----	-----
At 31 March 2025	2,718	2,718
	=====	=====
Depreciation		
At 1 April 2024	1,826	1,826
Charge	378	378
	-----	-----
At 31 March 2025	2,204	2,204
	=====	=====
Net Book Value		
At 31 March 2025	514	514
	=====	=====
At 31 March 2024	892	892
	=====	=====

8. Debtors

	2025 £	2024 £
Trade debtors	1,670	159
Prepayments	1,327	2,370
	-----	-----
	2,997	2,529
	=====	=====

9. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	7,875	12,934
PAYE and NI	4,032	4,424
Pension contributions	1,170	1,204
Deferred income (Note 10)	3,060	-
	-----	-----
	16,137	18,562
	=====	=====

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

10. Deferred income

	Conference Fees £	Total 2025 £	Total 2024 £
Balance at 1 April 2024	-	-	2,229
Released to Statement of Financial Activities	-	-	(2,229)
Income received and deferred in year	3,060	3,060	-
	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March 2025	<u>3,060</u>	<u>3,060</u>	<u> </u>

11. Operating lease commitments

At 31 March 2025 the charity had aggregate commitments under non-cancellable operating leases for rent and service charges payable as set out below:

	2025 £	2024 £
Payable within one year	1,925	1,925
	<u> </u>	<u> </u>

12. Funds

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	Gains/ losses £	At 31 March 2025 £
Unrestricted funds						
General funds	179,889	22,752	-	(9,210)	-	193,431
Designated funds:						
Pension provision	(369)	-	(1)	370	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	179,520	22,752	(1)	(8,840)	-	193,431
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Restricted funds						
Strategic work programme	-	195,000	(203,840)	8,840	-	-
Scottish Government SCLWN	17,190	79,367	(73,506)	-	-	23,051
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	17,190	274,367	(277,346)	8,840	-	23,051
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds	<u>196,710</u>	<u>297,119</u>	<u>(277,347)</u>	<u> </u>	<u> </u>	<u>216,482</u>

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

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 2024 for comparative purposes:

	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)
	<u>165,631</u>	<u>29,658</u>	<u>(3,190)</u>	<u>(12,579)</u>	<u>-</u>	<u>179,520</u>
Restricted funds						
Strategic work programme	932	195,000	(208,511)	12,579	-	-
Scottish Government SCLWN	17,106	65,957	(65,873)	-	-	17,190
	<u>18,038</u>	<u>260,957</u>	<u>(274,384)</u>	<u>12,579</u>	<u>-</u>	<u>17,190</u>
Total funds	<u><u>183,669</u></u>	<u><u>290,615</u></u>	<u><u>(277,574)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>196,710</u></u>

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

13. Analysis of funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	514	-	514
Net current assets	192,917	23,051	215,968
	<hr/>	<hr/>	<hr/>
At 31 March 2025	193,431	23,051	216,482
	<hr/>	<hr/>	<hr/>

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 2025

15. Pensions

The company participates in the scheme, a multi-employer scheme which provides benefits to some 77 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 2023. This actuarial valuation was certified on 27 June 2024 and showed assets of £86.2m, liabilities of £88.2m and a deficit of £2.0m. From 1 June 2024 the majority of employers no longer pay deficit contributions.

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 28 February 2034.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. 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 2022 to 31 May 2024: £1,473,969 per annum (payable monthly and increasing by 3% each year on 1st April).

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:

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

15. Pensions (continued)

	2025	2024	
	£	£	
Present value of provision for Voluntary Health Scotland	-	369	
	<u> </u>	<u> </u>	
 <u>Reconciliation of Opening and Closing Provisions</u>			
	2025	2024	
	£	£	
Provision at start of period	369	2,523	
Unwinding of the discount factor (interest expense)	1	70	
Deficit contribution paid	(370)	(2,224)	
Remeasurements - impact of any change in assumptions	-	-	
Remeasurements - amendments to the contribution schedule	-	-	
	<u> </u>	<u> </u>	
Provision at end of period	-	369	
	<u> </u>	<u> </u>	
 <u>Income and Expenditure Impact</u>			
	2025	2024	
	£	£	
Interest expense	1	70	
Remeasurements – impact of any change in assumptions	-	-	
Remeasurements – amendments to the contribution schedule	-	-	
Contributions paid in respect of future service	-	-	
Costs recognised in income and expenditure account	11,030	9,760	
 <u>Assumptions</u>			
	2025	2024	2023
Rate of discount (% per annum)	4.98	4.90	5.40

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.

VOLUNTARY HEALTH SCOTLAND

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

15. Pensions (continued)

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

Deficit Contributions Schedule

	2025	2024
	£	£
Year 1	-	370
Year 2	-	-

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 2024. 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. [Pending update from TPT]