

Charity registration number SC033880 (Scotland)

Company registration number SC239808

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025



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VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Executive Committee	Dr Claire Armstrong Antony Baines Brig Vivienne Buck CBE Wg Cdr Ian Cumming MBE Wg Cdr Gavin Davey OBE Col Darren Doherty Cdre Eric Fraser CBE Chloe MacKay Brig Martin Nadin OBE James Needham Heather Scally Lt Col Jonathon Tink Emma Watson Mack	Royal British Legion Scotland Poppyscotland BLESMA Erskine Royal Air Force Benevolent Fund ABF The Soldiers Charity RNRMC Combat Stress Scottish Veterans Residences Help for Heroes Officers' Association Scotland Royal Regiment of Scotland Executive Chair
Secretary	Col James Wilson	
Charity number (Scotland)	SC033880	
Company number	SC239808	
Registered office	New Haig House Logie Green Road Edinburgh EH7 4HR	
Independent examiner	Douglas Gould LLB CA Greaves West & Ayre 8 St. Ann's Place Haddington East Lothian EH41 4BS	
Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB	

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
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**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHAIR'S STATEMENT**

FOR THE YEAR ENDED 31 MARCH 2025

The Armed Forces and Veterans Community (AFVC) remain at the forefront of all our decisions at Veterans Scotland (VS). For the AFVC in Scotland to realise its full potential, VS has a lead role in unlocking "collective impact" i.e. the impact possible when all who have an interest in the AFVC, are tightly aligned around a common agenda.

We recognised it was important for us to better understand and respond to the specific needs and challenges faced by our members. We ran a member and stakeholder consultation in September 2024 to help understand current views, problems and issues, as well as suggestions of areas of priority for future work. The consultation included feedback from 57 organisations working in the AFVC. These organisations estimated they support around 371,000 people with around 83,000 veterans.

The results of the consultation provided evidence that VS is helping encourage and facilitate knowledge sharing, collaboration, co-ordination, communication and co-operation across the AFVC. However there is more to do. We identified the need for clear information flow, greater understanding of the Covenant, and improved engagement with Armed Forces and Veterans Champions.

Our commitment to actively listening to VS members and statutory services—including those involved in delivering the Covenant Duty is essential as we work to shape policy, modernise services, assess demand, and identify where gaps and overlaps exist. It also deepens our understanding of the needs of the AFVC. This year, we aim to expand and diversify our methods for gathering insights, enabling us to advocate more effectively for improvements to the policies and processes that impact the AFVC.

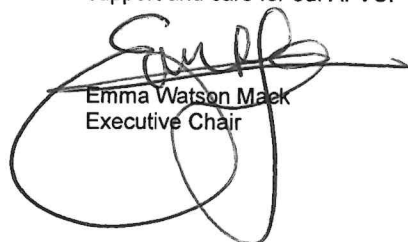
We have continued to strengthen our integrated framework of multi-organisational collaborative working groups, grounded in consensus-building and strategic alignment. Through the use of shared datasets, coordinated guidance, and the exchange of best practices, we are fostering meaningful collaboration. One of our greatest strengths lies in stakeholder engagement—bringing organisations together to listen, learn, and align on shared priorities. This collaborative spirit allows us to co-create innovative solutions, identify new opportunities, and celebrate our collective achievements.

We have enhanced and expanded our capacity to engage directly through social media platforms and are planning upgrades to our VS website this year. As the AFVC increasingly seeks to connect and access information through diverse channels, we are committed to meeting those expectations with more accessible, engaging and responsive communications.

The past year has been a time of transformation for the team. We understand that change is both constant and essential for growth. We've focused on modernising, streamlining and upgrading outdated practices and procedures. This allows VS to direct resources where we can deliver the greatest impact and value, support more informed decision-making and drive innovation.

Looking to the year ahead we will continue this trajectory.

I am grateful to the VS Executive Committee for their continued support and the VS team for their unwavering support and care for our AFVC.



Emma Watson Maek
Executive Chair

VETERANS SCOTLAND

A COMPANY LIMITED BY GUARANTEE

CHARITY SECRETARY REPORT

FOR THE YEAR ENDED 31 MARCH 2025

FOR THE YEAR ENDED 31 MARCH 2025

The Directors present their annual report and financial statements for the year ended 31 March 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Veterans Scotland is a membership organisation of some 90 Service and ex-Service charities and other organisations that support the Armed Forces and Veterans Community (AFVC). The AFVC includes serving members of the armed forces and their families, including those in transition to civilian life, and members of the ex-Service community, including veterans and their immediate families.

Veterans Scotland will represent and support the interests of its member organisations, and promote mutually beneficial collaboration, in order to enhance the well-being of the AFVC across Scotland. Veterans Scotland works with statutory and non-statutory organisations, promoting an improved understanding of their obligations to the Armed Forces Covenant. This role is increasingly important now that the Covenant has become a legal requirement (in the latter stages of 2021) for many statutory organisations including local authorities and the NHS.

Strategic Objectives

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

Veterans Scotland seeks to achieve its objectives by:

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

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHARITY SECRETARY REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2025

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

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

Achievements and performance

Veterans Scotland continues to work on behalf of its member organisations, focussing on the core topics supported by our Groups. These are Health & Well Being; Housing; Employment & Support and Comradeship & Remembrance. To these we are adding 'Veterans and Society'; this Group will seek to demonstrate the value brought to society by those who have served in the Armed Forces. Whilst recognising that some veterans may need the additional support that can be provided through charitable organisations, the vast majority contribute to the communities that they have become part of.

Member organisations have reported increased demand on their services as a result of the cost-of-living crisis. Liaison with member organisations, statutory organisations and others has continued to be effective, with information on the Veterans Assist website continuing to be well received. The global economic situation continues to affect individuals and organisations whether they are statutory, third sector or ex-Service.

Our newsletter, now being distributed monthly, has continued to share information and examples of the support that may be available from organisations. We continue to distribute information on UK and Scottish Governments initiatives covering topics that included grants, funding and advice on staying safe. Veterans Scotland ensured that Scottish Government and Local Authorities were kept informed of the impact of the pandemic was having on member organisations. We have also successfully extended our reach through social media.

We continue to work with the Scottish Government's Veterans Unit and with its other Departments. We also work with many organisations, including Skills Development Scotland, the Department for Work and Pensions, NHS Scotland and Universities & Colleges; this assists them as they develop their policies in relation to the Armed Forces and Veterans Community. Looking forward to 2025/26 we are launching Project Mercury, which will see local authorities and other statutory organisations being briefed on their obligations to the Armed Forces Covenant and the impact that Service may have on members of the Armed Forces and Veterans Community.

Following the Census, which took place in Scotland in March 2022, results are now available, and this is helping us to develop a picture of the position that former members of the Armed Forces were in at that date. Detailed data on veterans, by Age, Sex, Type of Service (i.e. Regular / Reserve / Both) became available in June 2024; we identified just over 176,000 individuals living in Scotland with a Service background, at that stage. This reflects almost 4% of the population. Of note was the fact that around 50% of them were of traditional working age. The data also identified the significant differences in the proportions of veterans living in different local authority areas. More data on Health, Housing, Education, Employment and general Well-Being became available in late 2024; this should enable us to identify hotspots where support may be needed and resources deployed.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHARITY SECRETARY REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Cross Party Group

Veterans Scotland continues to coordinate the activities of the CPG on the Armed Forces and Veterans Community. This has now been able to meet in a hybrid manner of in person and virtual format. The CPG continues to thrive and has seen an increase in attendance, in part due to the greater convenience of on-line attendance. Twelve MSPs are members of the Group, over 9% of all MSPs. Typically, meetings are attended by three MSPs, with occasional attendance by MSP's who are not members but have an interest in the topics for discussion.

During the reporting period, they have been briefed on and considered matters relating to the following topics:

- An update from the Scottish Government's Minister for Veterans.
- An update from the Scottish Veterans Commissioner.
- Examples of good practice on delivering The Armed Forces Covenant - A Local Authority Perspective
- Female Veterans Issues;
- Veterans in the Criminal Justice System
- The Edinburgh Napier University International Conference on Veterans;
- The Role and Functions of the MOD's Armed Forces and Veterans Services Team;
- The Forces in Mind Trust Research Centre;
- Update on the Tri-Service Family Federations' recent work
- Promoting the Employment and Employability of Veterans and Op Prosper.

The CPG is usually attended by some 45 of its 80 or so member organisations. The topics were seen as both relevant and of interest; members recognised that the opportunity to discuss pertinent topics, to network with other organisations and to hear at firsthand about current issues was of great value

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHARITY SECRETARY REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

Total income and expenditure amounted to £171,562 (2024: £192,892) and £182,527 (2024: £192,871) respectively resulting in a net deficit of £10,965 (2024: £21 surplus) for the year under review (figures exclude accommodation grant and offsetting expenses from Poppyscotland).

Unrestricted funds

Voluntary income from grants, legacies and subscriptions amounted to £75,249 (2024: £75,950), Investment income was £6,313 (2024: £2,935) reflecting a gross income of £81,562 (2024: £78,885), this is largely in line with the previous year reflecting the annual support from member organisations. Expenditure from unrestricted funds amounted to £82,177 (2024: £70,694) which was spent on our core activities, administering, representing and promoting the aims and objectives of the charitable company.

Restricted funds

Incoming resources amounted to £90,000 (2024: £114,007) with £100,350 (2024: £122,177) being expended in furtherance of the funding aims agreed with the grant-giving organisations. A balance of £92,725 (2024: £109,661) will be carried forward to fund the agreed outstanding activities.

Funds

Total funds at 31 March 2025 amount to £291,434 (2024: £302,399) representing £198,709 (2024: £192,738) and £92,725 (2024: £109,661) of unrestricted and restricted funds respectively.

Reserves policy

The Directors have reviewed the reserves of the charitable company. The review examined the nature of income and expenditure streams and the need to ensure the availability of sufficient reserves to meet future demands. The Directors concluded that the level of reserves is appropriate to support the current level of work undertaken by the organisation and that it should retain sufficient unrestricted reserve for a twelve-month period, in the event of a catastrophic reduction in funding. This would enable existing projects to be completed or passed to other organisations for completion in an appropriate manner, alternative funding sources to be found or a managed reduction of activity to take place. The current unrestricted reserve of £198,709 represents 12 months expenditure according to current projections, excluding grants provided in respect of the Scottish Veterans Fund for which the Scottish Government and Standard Life Aberdeen have responsibility. Continuing support from membership organisations or other sources of revenue may become necessary to support any increased levels of activity considered by the Directors as necessary to advance the interests of the ex-Service community in Scotland on an ongoing basis.

Public benefit

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

Risk management

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

Investment policy and performance

The Directors had previously considered that available surplus funds should be held in an interest bearing bank account, which was subsequently put into place. Investment Income £6,313 (2024: £2,935)

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHARITY SECRETARY REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

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

We intend to continue to work closely with the Scottish Government, the Scottish Veterans Commissioner and the UK Government in order to seek an optimal outcome from the Strategy for Our Veterans. Pivotal to this will be the work of Project Mercury.

Funding for core activity will continue to be sought from member organisations; this will be reviewed early in the financial year 2025-2026. However, in order to extend our reach, further funding for particular projects will continue to be sought from Scottish Government, UK Government, Trusts and other funding providers.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHARITY SECRETARY REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

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

The Directors who served during the year were:

Dr Claire Armstrong	
Antony Baines OBE	(Appointed 2 September 2024)
Maj Gen Colin Boag CB CBE	(Resigned 30 June 2024)
Brig Viveinne Buck CBE	
Wg Cdr Ian Cumming MBE	
Wg Cdr Gavin Davey OBE	
Col Darren Doherty	(Appointed 6 November 2024)
Cdre Eric Fraser CBE	
Lt Gen Sir Andrew Gregory KBE CB	(Resigned 17 March 2025)
Col Kevin Haugh CBE	(Resigned 6 November 2024)
Mr Jeffrey Harrison	(Resigned 17 August 2024)
Chloe MacKay	(Appointed 17 August 2024)
Brig Martin Nadin OBE	
Mr J Needham	
Heather Scally	
Stephen Shell	(Appointed 10 April 2025)
Lt Col Jonathon Tink	
Emma Watson Mack	(Appointed 1 July 2024)

Organisation

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

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

Other staff within Veterans Scotland include a full time Support, Housing and Employment Officer and a part time Health and Well-being Officer who both support the work of our Groups and promote Veterans Scotland's objectives.

The Charity Secretary report was approved by the Board of Directors.



Col James Wilson
Charity Secretary
Dated: 1 July 2025

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF CHARITY SECRETARY RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

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

Company Law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

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

By order of the Board of Directors



Col James Wilson
Trustees

1 July 2025

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

I report on the financial statements of the charitable company for the year ended 31 March 2025, which are set out on pages 10 to 21.

Respective responsibilities of Directors and examiner

The charity trustees (who are also the directors of Veterans Scotland for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charitable company Directors consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

Independent examiner's statement

In 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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Douglas Gould LLB CA
Greaves West & Ayre
8 St. Ann's Place
Haddington
East Lothian
EH41 4BS
1 July 2025

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Unrestricted funds 2025 £	Restricted funds 2024 £	Total 2024 £
<u>Income from:</u>						
Donations and legacies	3	75,249	90,000	165,249	75,950	189,957
Investments	4	6,313	-	6,313	2,935	2,935
Total income		81,562	90,000	171,562	78,885	192,892
<u>Expenditure on:</u>						
Charitable activities	6	82,177	100,350	182,527	70,694	192,871
Net (outgoing)/ incoming resources before transfers		(615)	(10,350)	(10,965)	8,191	21
Gross transfers between funds		6,586	(6,586)	-	2,371	-
Net movement in funds		5,971	(16,936)	(10,965)	10,562	21
Fund balances at 1 April 2024		192,738	109,661	302,399	182,176	302,378
Fund balances at 31 March 2025		198,709	92,725	291,434	192,738	302,399

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	11	1,188		-	
Cash at bank and in hand		294,911		309,640	
		<u>296,099</u>		<u>309,640</u>	
Creditors: amounts falling due within one year	12	(4,665)		(7,241)	
		<u></u>		<u></u>	
Net current assets			291,434		302,399
Net assets			<u>291,434</u>		<u>302,399</u>
The funds of the charitable company					
Restricted income funds	13		92,725		109,661
Unrestricted funds			198,709		192,738
			<u>291,434</u>		<u>302,399</u>

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors/trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005 with respect to accounting records and the preparation of financial statements.

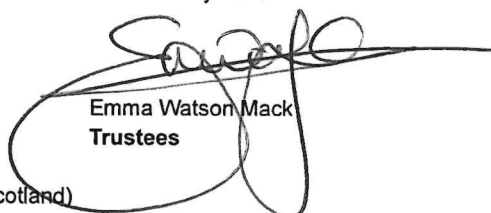
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Directors on 1 July 2025



Brig Martin Nadin OBE
Trustees



Emma Watson Mack
Trustees

Company registration number SC239808 (Scotland)

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

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

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Incoming resources

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

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

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

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

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

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Resources expended

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

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

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.8 Employee benefits

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

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

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations and gifts	75,249	-	75,249	75,950
Grants receivable	-	90,000	90,000	114,007
Donated goods and services	-	-	-	25,000
	<u>75,249</u>	<u>90,000</u>	<u>165,249</u>	<u>189,957</u>
For the year ended 31 March 2024	<u>75,950</u>	<u>114,007</u>		<u>189,957</u>
Donations and gifts				
Members subscriptions	-	-	-	75,950
Other	75,249	-	75,249	-
	<u>75,249</u>	<u>-</u>	<u>75,249</u>	<u>75,950</u>
Grants receivable for core activities				
Scottish Government Funding (Catalyst for Change)	-	90,000	90,000	89,007
NHS Lothian Veterans Wellbeing Alliance	-	-	-	25,000
	<u>-</u>	<u>90,000</u>	<u>90,000</u>	<u>114,007</u>

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

4 Investments

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Interest receivable	6,313	2,935
	<u> </u>	<u> </u>

5 Donated Services

Office facilities were provided by Poppyscotland free of charge.

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

6 Charitable activities	Core activities	Capacity Building Fund		FIMT Grant		NHS Lothian VPPP		Queen's Jubilee		Total 2025		Total 2024	
		£	£	£	£	£	£	£	£	£	£	£	£
Share of support costs (see note 7)	80,027	90,000	10,350	-	-	-	-	-	-	180,377	190,731		
	2,150	-	-	-	-	-	-	-	-	2,150	2,140		
Share of governance costs (see note 7)	82,177	90,000	10,350	-	-	-	-	-	-	182,527	192,871		
Analysis by fund	82,177	-	-	-	-	-	-	-	-	82,177			
	-	90,000	10,350	-	-	-	-	-	-	100,350			
Unrestricted funds	82,177	90,000	10,350	-	-	-	-	-	-	182,527			
For the year ended 31 March 2024	70,694	-	-	-	-	-	-	-	-		70,694		
	-	89,007	3,313	26,857	3,000						122,177		
Unrestricted funds	70,694	89,007	3,313	26,857	3,000						192,871		
Restricted funds													

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs

	Support costs	Governance costs	2025	2024	Basis of allocation
	£	£	£	£	
Staff costs	72,183	-	72,183	63,532	
Office expenses - other	7,844	-	7,844	8,022	
Independent examiner fees	-	2,150	2,150	2,140	Governance
Catalyst for Change	90,000	-	90,000	89,007	
FiMT costs	10,350	-	10,350	3,313	
NHS Lothian VPPP	-	-	-	26,857	
	<u>180,377</u>	<u>2,150</u>	<u>182,527</u>	<u>192,871</u>	
Analysed between Charitable activities	<u>180,377</u>	<u>2,150</u>	<u>182,527</u>	<u>192,871</u>	

8 Directors

In their capacities as Executive Chairman, Colin Boag and Emma Watson Mack were remunerated on behalf of the charitable company:

Salary and Social Security £18,942 (2024: £17,718), Expenses £681 (2024: £Nil).

No other directors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2024: None).

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Permanent staff	<u>4</u>	<u>5</u>
Employment costs	2025 £	2024 £
Wages and salaries	133,881	145,240
Social security costs	7,454	8,123
Other pension costs	8,959	1,818
	<u>150,294</u>	<u>155,181</u>

Pension Cost - Includes an Exceptional Item of £6,750 Employer and Employee cost for two members of staff paid for 6 years (five years plus current). Calculation of percentages was incorrect for that period. There were no employees whose annual remuneration was £60,000 or more.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	1,188	-
	<u>1,188</u>	<u>-</u>

12 Creditors: amounts falling due within one year

	2025	2024
	£	£
PAYE/NI	2,509	5,100
Creditors	6	-
Accruals	2,150	2,141
	<u>4,665</u>	<u>7,241</u>

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

13 Restricted funds

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

	Balance at 1 April 2023 £	Movement in funds			Balance at 1 April 2024 £	Movement in funds			Transfers 31 March 2025 £	Balance at 31 March 2025 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Queen's Jubilee Fund	8,296	-	(3,000)	-	5,296	-	-	-	-	5,296
FiMT Funding	9,899	-	(3,313)	-	6,586	-	-	(6,586)	-	-
FiMT Funding - Mercury	97,779	-	-	-	97,779	-	(10,350)	-	-	87,429
NHS Lothian VPPP	4,228	25,000	(26,857)	(2,371)	-	-	-	-	-	-
Capacity Building Fund	-	89,007	(89,007)	-	-	90,000	(90,000)	-	-	-
	120,202	114,007	(122,177)	(2,371)	109,661	90,000	(100,350)	(6,586)		92,725

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

13 Restricted funds	(Continued)
Queen's Jubilee Fund: in 2012 a sum of £50,000 was provided to fund improved communication, promotion and advertising of the Veterans Assist website and the development of Roadshows. Our plan for this fund is to use it to cover the costs of roadshows and similar activity as this was the original purpose of the fund which was not time limited.	
FiMT Funding: Forces in Mind Trust – Informing Scotland granted £75,000 for the Informing Scotland project over a three-year period, the purpose of which was to provide improved delivery of the Covenant amongst Armed Forces and Veterans Champions at Local Authority level.	
Exceptional Item of £6,586, as approved by FiMT, to transfer this remaining balance from Restricted to Unrestricted which was not undertaken as at 31 March 2022.	
FiMT Funding: Forces in Mind Trust – Mercury granted £209,700 for three-year funding; to date £113,248 has been received leaving £96,452 to still be received.	
Capacity Building Fund: this is funded by the Scottish Government and replaces the Catalyst for Change funding. This is to allow Veterans Scotland to:	
• Enable forums for collaboration between member organisation and the wider third sector and statutory organisations; • Provide support to Local and National Government in the delivery of their obligations to the Covenant and the Strategy for Our Veterans; • Assist the Scottish Government with its commitments to the "The Strategy for Our Veterans" and the wider effective delivery of the Armed Forces Covenant in Scotland; • Review reports on subjects relating to the AFVC, disseminating them to member organisations and providing comment on the reports; • Provide a voice for the veterans' community in Scotland; • Provide feedback on progress made by statutory organisations on the way they are meeting their obligations to the Covenant; • Enhance and increase membership of Veterans Scotland by demonstrating its value; and • Develop their annual business plan as priorities for the AFVC are identified.	

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

14 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Fund balances at 31 March 2025 are represented by:						
Current assets/(liabilities)	198,709	92,725	291,434	192,738	109,661	302,399
	<u>198,709</u>	<u>92,725</u>	<u>291,434</u>	<u>192,738</u>	<u>109,661</u>	<u>302,399</u>

15 Volunteers

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

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025	2024
	£	£
Total remuneration	<u>18,942</u>	<u>17,718</u>

17 Company limited by guarantee

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

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

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	£	2025 £	£	2024 £
Donations and legacies				
Members subscriptions	74,905		74,950	
Donations	344		1,000	
Scottish Government funding - Restricted	90,000		89,007	
NHS Lothian Veterans Wellbeing Alliance - Restricted	-		25,000	
		165,249		189,957
Investment income				
Interest received		6,313		2,935
Total incoming resources		171,562		192,892
<u>Resources expended</u>				
Charitable activities				
Core activities				
Share of support costs		(80,027)		(68,554)
Capacity Building Fund				
Share of support costs - Restricted	90,000		89,007	
		(90,000)		(89,007)
FIMT Grant				
Share of support costs - Restricted	10,350		3,313	
		(10,350)		(3,313)
NHS Lothian VPPP				
Share of support costs - Restricted	-		26,857	
		-		(26,857)
Queen's Jubilee				
Share of support costs - Restricted	-		3,000	
		-		(3,000)
Governance costs				
Independent examiners fees	2,150		2,140	
		(2,150)		(2,140)
Total resources expended		(182,527)		(163,014)
(Deficit)/Surplus for the Year		(10,965)		21