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 2026

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Executive Committee	Dr Claire Armstrong	Royal British Legion Scotland
	Mr. Antony Baines	Poppyscotland
	Brig Vivienne Buck CBE	BLESMA
	Wg Cdr Ian Cumming MBE	Erskine
	Wg Cdr Gavin Davey OBE	Royal Air Force Benevolent Fund
	Col Darren Doherty	ABF The Soldiers Charity
	Cdr Eric Fraser CBE	RNRMC (resigned 25th March 2026)
	Mrs. Chloe MacKay	Combat Stress
	Brig Martin Nadin OBE	Scottish Veterans Residences
	Mr. James Needham	Help for Heroes
	Ms. Heather Scally	Officers' Association Scotland
	Air Marshall Steve Shell CB OBE MA	SSAFA (appointed 10th April 2025)
	Lt Col Jonathon Tink	Royal Regiment of Scotland
	Ms. Emma Watson Mack	Executive Chair
Charity number (Scotland)	SC033880	
Company number	SC239808	
Registered office	New Haig House Logie Green Road Edinburgh EH7 4HR	
Independent examiner	Steven Smillie Chiene + Tait LLP (trading as CT) 61 Dublin Street Edinburgh EH3 6NL	
Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB	

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CONTENTS

EXECUTIVE CHAIR'S STATEMENT

The Armed Forces and Veterans Community (AFVC) sits firmly at the heart of everything we do at Veterans Scotland (VS). As a backbone organization, our role is to bring our members and partners together to connect, convene and align so that our collective effort delivers tangible impact for veterans and their families across Scotland.

The past year has seen a scale and tempo of change that has felt notably different. Activity across the veterans' landscape has accelerated significantly, with policy evolving quickly and expectations on partnership working and delivery continuing to grow. This creates real opportunity but also brings a level of complexity that cannot be ignored. In this context, the role of VS in providing coordination, clarity and collective leadership has never felt more important. There is also a clear opportunity for the third sector - working together across communities and government at every level to address some of the most pressing challenges with a shared sense of purpose.

Our VS Working Groups across Housing, Health and Wellbeing, and Employment continue to play a vital role. Increasingly, they are not simply forums for discussion, but platforms for action and change - informing policy, including the Mental Health National Framework, and supporting practical, collective solutions across Housing and Employment.

In 2024 we undertook a member and stakeholder consultation to better understand current perspectives, challenges, and priorities for future work. The findings reinforced the need for clearer information flow, a stronger and more consistent understanding of the Armed Forces Covenant, and more effective engagement with Armed Forces and Veterans Champions.

In response, we have continued to develop a clearer common operating picture across Scotland.

Project Mercury, now well underway, has been a key driver of this progress. Through sustained engagement with local authorities, Armed Forces Champions, and partners across the third sector and statutory services, we are strengthening both understanding and implementation of the Armed Forces Covenant. This work is helping to bridge the gap between policy intent and delivery on the ground - supporting more consistent, informed, and effective responses to the needs of the AFVC.

We are all operating within an environment increasingly shaped by major policy and programme developments, including the UK Veterans Strategy, the pending Scottish Government Action Plan, the forthcoming Scottish Government elections in May 2026, the extension of the Armed Forces Covenant Duty, and the launch of VALOUR Phase 1. In this context, the role of VS as the "backbone" organisation has never been more important.

Looking ahead, we will continue to strengthen collaboration with members and partners, ensuring VS delivers real value to those we serve. A strategic review will also be undertaken to ensure we remain fit for purpose - organisationally and operationally. The strength of VS does not lie in any one organisation; it lies in all of us - working together, aligned in purpose, and committed to improving outcomes for the AFVC across Scotland.

I remain deeply grateful to the VS Executive Committee for their continued guidance and support, and to our dedicated members and VS team whose professionalism, resilience and commitment continue to drive this work forward.

Emma Watson Mack

Emma Watson Mack
Executive Chair
16 June 2026

TRUSTEES REPORT

The Directors present their annual report and financial statements for the year ended 31 March 2026.

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 50 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 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 (Celebrate & Support)**: Influence and inform Scottish and Local Government, statutory partners, and the wider sector to:
    - Promote the Armed Forces Covenant and strengthen its delivery across Scotland.
    - Improve awareness, access and understanding of services available to the AFVC through accessible communication channels, including digital platforms.
    - Enhance recognition of veterans’ contributions to society, aligning with the “Celebrate” pillar of the Veterans Strategy 2025.
- **Collaboration (Contribute & Support)**

  Enhance the efficiency and impact of member organisations by:
    - Encouraging the sharing of good practice and reducing duplication.
    - Fostering collective use of resources where appropriate.

Supporting multi-agency work that enables veterans to contribute their skills and

- strengths to communities, public services, and the economy—reflecting the Strategy's emphasis on unleashing veteran potential.

- **Co-ordination (Support)**: Promote and signpost the wide range of services available to the AFVC by:
    - Strengthening coordination between statutory bodies, local authorities, NHS services, the third sector, and military charities.

Co-operation (Celebrate, Contribute & Support): Promote joint working by:

- Identifying shared objectives across member organisations, public bodies, and wider partners.
- Encouraging cooperative initiatives that maximise impact and reduce fragmentation.
- Reinforcing society's responsibility - outlined in the Veterans Strategy 2025 - to recognise veterans (Celebrate), support their ongoing contribution (Contribute), and ensure access to joined-up help (Support).

- **Enabling Collaboration & Partnership**
  - Hosting and supporting forums that bring together charities, public services, local authorities, Armed Forces champions, and community partners.
  - Facilitating sector-wide engagement aligned to Scotland's focus on collaboration, coordination, and data-driven improvement.
- **Supporting Government in Covenant Delivery**
  - Assisting Local and National Government in meeting their Armed Forces Covenant obligations through guidance, communication, and monitoring.
  - Providing insight that supports policy development, recognising the statutory integration of the Covenant within UK legislation.
- **Reviewing and Disseminating Evidence**
  - Reviewing reports, policy updates, data releases and evaluations related to the AFVC.
  - Disseminating findings to the membership and contributing analysis to highlight implications, opportunities, and gaps.
  - Supporting Scotland's emphasis on improved data and perception across the veteran landscape.
- **Providing a National Voice for Veterans in Scotland**
  - Representing the interests, needs and aspirations of veterans and their families.
  - Strengthening societal recognition in line with the Veterans Strategy's Celebrate theme.
- **Monitoring Covenant Progress**
  - Reviewing and providing feedback on statutory organisations' progress in meeting their Covenant responsibilities.
  - Promoting transparency and continuous improvement consistent with UK and Scottish performance frameworks.
- **Representing Scotland within Cobseo**
  - Advocating for the needs of Scottish veterans within UK-wide veteran structures.
  - Ensuring Scottish policy contexts and delivery models are reflected in national discussions.
- **Growing and Strengthening Membership**
  - Demonstrating value through coordination, influence, and practical support.
  - Expanding membership to ensure comprehensive representation of Scotland's veterans' sector.

- **Annual Business Planning - Developing an annual business plan that aligns organisational priorities with:**
    - the Veterans Strategy 2025 themes (Celebrate, Contribute, Support),
    - Scottish Government's "Taking the Strategy Forward" commitments, and emerging evidence from the Scottish Veterans Commissioner's progress assessments.

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:

- Scottish Veterans Commissioner Updates
    - 2025 Progress
    - Veterans and Finance
- Project Mercury – Planning for the expansion of the Armed Forces Covenant
- The Female Veterans Transformation Toolkit
- The work of the Centre for Evidence for the Armed Forces Community –
    - The financial well-being of ex-Service personnel and their families: Policy Summary
- The Role of Armed Forces Champions, including Local Authority Engagement and Champions Experiences.
- Shared Intelligence Research into 'Our Community, Our Covenant'
- Update from The Forces Pension Society
- RCA Trust – Battling the Odds, Raising awareness of the impact of gambling amongst the Armed Forces Community
- The work of the Centre for Military Research, Education & Public Engagement –
    - Thrive Together
    - A Game of Snakes and Ladders - Armed Forces families with children requiring additional support with their education
    - CAPS Independent Advocacy

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 firsthand about current issues was of great value.

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, focusing on the core topics supported by our Groups. These are Health & Well Being; Housing; Employment & Support and Comradeship & Remembrance. The latter will evolve into '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.

During the reporting year, Veterans Scotland continued to strengthen its role as the national coordinating body for the Armed Forces and Veterans Community (AFVC) in Scotland. Our work supported improved cross-sector collaboration, enhanced communication, and strengthened delivery of the Armed Forces Covenant, aligning our activities closely with the direction set by the UK and Scottish Governments through the Strategy for Our Veterans and its ongoing implementation.

1. **Strengthening National Coordination and Collaboration**
Veterans Scotland delivered a programme of coordinated engagement across local authorities, statutory bodies, Armed Forces Champions, and third-sector partners. We facilitated regular forums and working groups to share best practice, reduce duplication, and improve understanding of service pathways.

2. **Supporting Delivery of the Armed Forces Covenant**
Veterans Scotland continued to support Local and National Government in fulfilling their Covenant obligations. This included guidance for Armed Forces Champions, participation in national policy groups, and contributions to UK-wide Covenant governance.

3. **Enhancing Communication and Information Sharing**
We disseminated national reports, policy updates, and research findings, helping partners stay informed about developments influencing service delivery, including updates from the Scottish Veterans Commissioner and the Scottish Government.

4. **Representing Scotland's Veterans Sector at National Level**
Veterans Scotland represented the interests of Scotland's veteran community across Cobseo and national bodies, ensuring Scottish context was reflected in UK-wide strategy and delivery.

5. **Promoting the Veterans Strategy 2025 Pillars: Celebrate, Contribute, Support**
Our work reflected the national strategic pillars by promoting recognition of veterans, enabling their contribution across society, and strengthening access to coordinated support.

6. **Expanding and Supporting Membership**
Veterans Scotland strengthened member engagement through improved communication, coordination, and shared learning opportunities.

7. **Business Planning and Continuous Improvement**
We are in the process of producing an annual business plan aligning strategic objectives, national policy, and sector intelligence to support continuous improvement. This includes the development of a new VS Website and creation of a new, innovative 'Members' area that will enable, increase and promote collaboration.

Financial review
For the financial year 2025-2026, total income was £219,279 (2025: £171,562); total expenditure was £211,598 (2025: £182,527), resulting in a net surplus of £7,681 (2025: deficit of £10,965).

Unrestricted funds
Income from membership was £79,270 (2025: £75,249); Donations were £1,100 (2025: £nil); Investment (bank interest) income was £5,501 (2025: £6,313); total gross income was £85,871 (2025: £81,562); this is largely in line with the previous year reflecting the annual support from member organisations. Expenditure on core activities was £72,713 (2025: £82,177).

Restricted funds
Incoming resources amounted to £133,408 (2025: £90,000) with £138,885 (2025: £100,350) being expended in furtherance of the funding aims agreed with the grant-giving organisations. A balance of £84,080 (2025: £92,725) will be carried forward to fund the agreed outstanding activities of FiMT (£81,952) and the Queens Jubilee Fund (£2,128).

Funds
Total funds at 31 March 2026 amounted to £299,115 (2025: £291,434) representing £215,035 (2025: £198,709) and £84,080 (2025: £92,725) 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 maintain 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 £215,035 represents 12 months' expenditure according to current projections. 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, that is 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 was £5,501 (2025: £6,313)

Plans for future periods
Veterans Scotland will continue to implement its long-term strategy to ensure that Scotland remains an environment where veterans are recognised as a national asset and where their skills, experiences and contributions are fully understood and valued. Our forward work aligns with the Veterans Strategy 2025 pillars - Celebrate, Contribute, Support - which guide the UK's long-term commitment to improving outcomes for the Armed Forces and Veterans Community (AFVC).

1. Promoting Recognition and Preventing Disadvantage (Celebrate & Support)
In the coming year, Veterans Scotland will continue to promote the advantages gained through military service while working to prevent any disadvantage that may arise because of it, in line with the Armed Forces Covenant. As the Covenant now carries statutory responsibilities for public bodies, the need to support organisations to understand their legal duties - and the unique obligations and sacrifices associated with Service - will grow substantially.

We will expand our work to help statutory partners interpret, implement, and embed Covenant duties effectively, supporting improved recognition, perception, and service delivery in line with Scotland's cross-cutting factors.

2. Deepening Collaboration with Government and National Bodies (Contribute & Support)
Veterans Scotland will continue to work closely with:

- The Scottish Government, contributing to Taking the Strategy Forward in Scotland and ongoing cross-government implementation.

- The Scottish Veterans Commissioner, ensuring our work aligns with emerging recommendations and progress assessments.

- The UK Government, supporting refinement of the Strategy for Our Veterans and national programmes such as VALOUR and enhanced Covenant enforcement.

A principal component of this collaboration will be the continued delivery of Project Mercury, which plays a pivotal role in strengthening coordination, improving data-sharing and enhancing system-wide understanding of veteran needs across Scotland.

3. Strengthening Sector Coordination and National Impact
Reflecting Scotland's recognised cross-cutting factors - collaboration, coordination, perception, and recognition - Veterans Scotland will build on its role as a national convener, enabling member organisations and wider partners to share learning, reduce duplication and work collectively toward improved outcomes.

Our future work will focus on strengthening service pathways and supporting veterans to contribute through employment, volunteering, leadership, and community engagement, reflecting the Veterans Strategy's focus on unleashing veterans' potential.

4. Funding, Sustainability and Growth
To maintain core functions, Veterans Scotland will continue to seek funding from member organisations, with a full review of this model planned for early FY 2026–2027.
To extend reach and deliver enhanced activity across Scotland, additional funding will continue to be sought from:

- The Scottish Government,
- The UK Government,
- Charitable trusts,
- Other grant-making bodies.

This mixed-funding strategy will support work that strengthens coordination, improves communication, and enhances the delivery of Scotland's contribution to the UK-wide Strategy for Our Veterans.

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

The Directors who served during the year were:

Dr Claire Armstrong
Mr. Antony Baines OBE
Brig Vivienne Buck CBE
Wg Cdr Ian Cumming MBE
Wg Cdr Gavin Davey OBE
Col Darren Doherty
Cdr Eric Fraser CBE (resigned 25th March 2026)
Mrs. Chloe MacKay
Brig Martin Nadin OBE
Mr. J Needham
Ms. Heather Scally
Air Marshall Steve Shell CB OBE MA (appointed 10th April 2025)
Lt Col Jonathon Tink
Ms. Emma Watson Mack

Organisation
Day to day management and operations are delegated to the Interim Head of Operations 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 and have no beneficial interest in the charitable company. They have only the powers that 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, a part time Health and Well-being Officer and a Project Lead for Project Mercury who all support the work of our Groups and promote Veterans Scotland's objectives. The new VS Digital Upgrade will be led by a dedicated project manager. anticipated to be completed in Q2 2026.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Directors, who also act as Trustees for the charitable activities of Veterans Scotland, are responsible for preparing the Trustees 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

Emma Watson Mack

Emma Watson Mack
Executive Chair
Dated: 16 June 2026

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF VETERANS SCOTLAND

I report on the financial statements of the charitable company for the year ended 31 March 2026, which are set out on pages 14 to 23.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the accounts on behalf of the Trustees and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Board Members, as a body, for my work or for this report.

Respective responsibilities of Trustees 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 required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether 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 2006

have 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.

Steven Smillie

Steven Smillie
Chiene & Tait LLP (trading as CT)
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

Dated: 17 June 2026

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds 2026	Restricted Funds 2026	Total Funds 2026	Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025
Income from:		**£**	**£**	**£**	**£**	**£**	**£**
Donations and legacies	**3**	80,370	133,408	213,778	75,249	90,000	165,249
Investments	**4**	5,501	-	5,501	6,313	-	6,313
Total Income		85,871	133,408	219,279	81,562	90,000	171,562
Expenditure on:							
Charitable activities	**6**	(72,713)	(138,885)	(211,598)	(82,177)	(100,350)	(182,527)
Net incoming/ (outgoing) resources before transfers		13,158	(5,477)	7,681	(615)	(10,350)	(10,965)
Transfers between funds		3,168	(3,168)	-	6,586	(6,586)	-
Net movement in funds		16,326	(8,645)	7,681	5,971	(16,936)	(10,965)
Fund balances							
At 1 April 2025		198,709	97,725	291,434	192,738	109,661	302,399
At 31 March 2026		215,035	84,080	299,115	198,709	97,725	291,434

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 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed Assets					
Intangible fixed assets	**11**		1,411		-
Current assets					
Debtors	**12**	49,361		1,188	
Cash at bank and in hand		254,969		294,911	
		304,330		296,099	
Creditors: amounts falling due within one year	**13**	(6,626)		(4,665)	
Net current assets			297,704		291,434
Net assets			299,115		291,434
The funds of the charitable company					
Restricted income funds	**14**		84,080		92,725
Unrestricted funds			215,035		198,709
			299,115		291,434

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 2026.

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 and signed on their behalf by:

Martin Nadin

Brig Martin Nadin OBE
Trustee

Date: 16 June 2026

Emma Watson Mack

Emma Watson Mack
Trustee

Date: 16 June 2026

Company registration number SC239808 (Scotland)

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

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) as well as UK GAAP The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). 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 Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees 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 Trustees 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.

1 Accounting policies **(Continued)**

1.5 Resources expended

All expenditure is accounted for on an accrual 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 Intangible Fixed Assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.
Assets costing under £1,500 are considered as renewals and are charged directly to the Statement of Financial Activities.
Amortisation is recognised to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

CRM system	-	20% straight line

1.8 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 assets 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 an effective interest rate method.

Trade creditors are obliged 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.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

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

1.9 Employee benefits

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

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees 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 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 2026	Total 2025
	£	£	£	£
Membership fees	79,270	-	79,270	75,249
Grants receivable (see below)	-	133,408	133,408	90,000
Donations/legacies	1,100	-	1,100	-
	80,370	133,408	213,778	165,249

Grants receivable				
Scottish Government Funding – Capacity Building Fund	-	90,000	90,000	90,000
National Lottery Forces in Mind Trust – Project Mercury	-	43,408	43,408	-
	-	133,408	133,408	90,000

4 Investments

	2026	2025
	£	£
Interest receivable	5,501	6,313

Interest receivable was unrestricted in both years.

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 2026

6 Charitable activities

	Core Activities	Capacity Building	FiMT	Total 2026	Total 2025
	£	£	£	£	£
Share of support costs (note 7)	69,615	90,000	48,885	208,500	180,377
Share of governance costs (note 7)	3,098	-	-	3,098	2,150
	72,713	90,000	48,885	211,598	182,527

Core activities are unrestricted in both years. Capacity Building and FiMT are restricted in both years.

7 Support costs

	Support costs	Governance costs	Total 2026	Total 2025
	£	£	£	£
Staff costs	46,604	-	46,604	72,183
Office expenses	23,011	758	23,769	7,844
Independent examiner fees	-	2,340	2,340	2,150
Capacity Building Fund	90,000	-	90,000	90,000
FiMT costs	48,885	-	48,885	10,350
	208,500	3,098	211,598	182,527
Analysed between				
Charitable activities	208,500	3,098	211,598	182,527

8 Related party transactions

In their capacity as Executive Director, Emma Watson mack and Colin Boag (2025 only), were remunerated on behalf of the charitable company as permitted by the Articles of Association. Salary and Social Security costs amounted to £40,456 (2025: £18,942) and expenses amounted to £4,084 (2025: £681).

No other Trustees (or any persons associated with them) received any remuneration or benefits from the charitable company in either year.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

9 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2026 No.	2025 No.
Permanent staff	3	4

Employment costs

	2026 £	2025 £
Salaries	135,516	133,881
National Insurance	6,700	7,454
Pension Costs	3,474	8,959
Redundancy	9,315	-
	155,005	150,294

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

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 Intangible Fixed Assets

	CRM System £	Total £
Cost		
At 1 April 2025	-	-
Additions	1,728	1,728
At 31 March 2026	1,728	1,728
Depreciation		
At 1 April 2025	-	-
Charge for the year	317	317
At 31 March 2026	317	317
Net Book Value		
At 31 March 2025	-	-
At 31 March 2026	1,411	1,411

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

12 Debtors: amounts falling due within one year

	2026 £	2025 £
Trade Debtors	383	-
Prepayments	3,978	1,188
Accrued Income	45,000	-
	49,361	1,188

13 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade Creditors	778	6
Accruals	2,340	2,141
PAYE/NI	3,508	2,509
	6,626	4,665

14 Restricted funds

Current Year

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2026 £
Queen's Jubilee Fund	5,296	-	-	(3,198)	2,128
FiMT Funding – Project Mercury	87,429	43,408	(48,885)	-	81,952
SG Capacity Building Fund	-	90,000	(90,000)	-	-
	92,725	133,408	138,885	(3,198)	84,080

Previous Year

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Queen's Jubilee Fund	5,296	-	-	-	5,296
FiMT Funding	6,586	-	-	(6,586)	-
FiMT Funding – Project Mercury	97,779	-	(10,350)	-	87,429
SG Capacity Building Fund	-	90,000	(90,000)	-	-
	109,661	90,000	100,350	(6,586)	92,725

14 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, as this was the one of the original purposes, which was not time limited, for this fund has been to use it toward the costs of a new and much improved website.

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. Now fully expended.

FiMT Funding: Forces in Mind Trust – Project Mercury granted £209,700 for three-year funding; to date

£200,054 has been received leaving £9,646 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 meet 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.

15 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total 2026 £
Fixed Assets	1,411	-	1,411
Current Assets	220,250	84,080	304,330
Current Liabilities	(6,626)	-	(6,626)
	215,035	84,080	299,115

	Unrestricted Funds £	Restricted Funds £	Total 2026 £
Current Assets	203,374	92,725	296,099
Current Liabilities	(4,665)	-	(4,665)
	198,709	92,725	291,434

16 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 varied and much of the activity would be unable to continue were it not for the commitment shown.

17 Company limited by guarantee

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