



**ABERDEEN ASSOCIATION OF SOCIAL SERVICE  
(OPERATING AS VSA)**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2025**

**Charity Registration No. SC012950 (Scotland)  
Company Registration No. SC018487 (Scotland)**

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	J Knowles (Chair of Trustees) Z Yuill (Vice Chair of Trustees) K Shand M Gibson G Watt R Gupta J Ochei A Gall J Reynolds A Thom
<b>Secretary</b>	Avril Cope
<b>Charity number (Scotland)</b>	SC012950
<b>Company number</b>	SC018487
<b>Operating name</b>	VSA
<b>Registered office</b>	38 Castle Street Aberdeen AB11 5YU
<b>Auditor</b>	Hall Morrice LLP 6 & 7 Queens Terrace Aberdeen AB10 1XL
<b>Bankers</b>	Bank of Scotland 39 Albyn Place Aberdeen AB10 1YN
<b>Solicitors</b>	Burness Paull LLP 2 Marischal Square Broad Street Aberdeen AB10 1DQ
<b>Investment advisors</b>	LGT Wealth Management UK LLP 1 George Street Edinburgh EH2 2LL

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

**CONTENTS**

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	Page
<b>Trustees' report</b>	4 – 23
<b>Statement of Trustees' responsibilities</b>	24
<b>Independent auditor's report</b>	25 – 28
<b>Statement of financial activities</b>	29
<b>Balance sheet</b>	30
<b>Statement of cash flows</b>	31
<b>Notes to the financial statements</b>	32 – 60

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

The trustees are pleased to present their report including a strategic report together with the audited financial statements for the year to 31 March 2025.

**Directors and Trustees**

The Directors of Aberdeen Association of Social Service "operating as VSA" (the charity), are its Trustees for the purpose of charity law and throughout this Trustees' Report are collectively referred to as the Trustees.

The Trustees of Aberdeen Association of Social Service who were in office during the year and up to the date of signing the Financial Statements were:

Name	Role	Period of Service
J Knowles	Chair of Trustees	Appointed 30 October 2025
	Trustee	Year to 30 October 2025
J Harper	Vice Chair of Trustees	Appointed 30 October 2025 Resigned 9 January 2026
	Trustee	Year to 30 October 2025
Z Yuill	Vice Chair of Trustees	Appointed 30 October 2025
	Trustee	Appointed 29 November 2024
K Shand	Trustee	From 30 October 2025
	Chair of Trustees	Year to 30 October 2025
G Edwards	Trustee	Resigned 29 November 2024
S Burt	Trustee	Resigned 27 February 2025
M Gibson	Trustee	Full year
L Hancock	Trustee	Appointed 29 November 2024
	Trustee	Resigned 7 April 2025
A McBurnie	Trustee	Resigned 18 June 2025
S Heys	Trustee	Resigned 30 August 2024
G Watt	Trustee	Full year
C Wilkie	Trustee	Resigned 30 October 2025
S Barnett	Trustee	Resigned 16 October 2025
R Gupta	Trustee	Appointed 29 November 2024
J Ochei	Trustee	Appointed 31 March 2025
A Gall	Trustee	Appointed 31 March 2025
J Reynolds	Trustee	Appointed 31 March 2025
A Thom	Trustee	Appointed 30 October 2025

**Key Management Personnel (Executive Management Team) at 31 March 2025**

S Freeth	Chief Executive
A Corbin	Chief Financial Officer
J Ewen	Director of Adult & Community Services
A Garden	Director of Operations
C Nicholson	Director of Human Resources, Learning & Development
A Anderson	Director of Business Development, Marketing & Innovation (Appointed 18 November 2024)

Following the year end, there has been a period of leadership change. Interim executive arrangements have been put in place to ensure continuity of management and effective oversight until the permanent leadership team is in place.

# **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

## **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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### **Objectives and Activities**

The objectives of the charity are:

- To provide for the general welfare of children, families, adults, older people, disabled people, and people in need who are partially or wholly unable to provide for themselves.
- To act in co-operation with the statutory authorities and other organisations, voluntary or otherwise, engaged in the furtherance of general welfare.
- To establish, take over or administer, either alone or along with others, charitable funds, or agencies, either as Trustees or in any other capacity.
- To establish and operate agencies or bureau for the purpose of giving advice or assistance on problems of a monetary and/or social nature, to those in need.
- To provide facilities for training in social service and for advancing the interest of the public in social work.

The main objectives and activities for the year continued to focus on providing a high level of care to existing service users whether they be children, families, adults, or older people. The Trustees have had specific regard to the Charity Commission guidance on public benefit in section 4 of the Charities Act 2006 and the Scottish Charity Code of Governance.

### **Mission**

The charity's mission is to provide the best of care and support to enable our community to fulfil its potential.

### **Structure, Governance and Management**

#### **Governing Document**

Aberdeen Association of Social Service, operating as VSA, is a charitable private company limited by guarantee and governed by its Memorandum and Articles of Association as amended on 29<sup>th</sup> November 2024 per Companies House. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

#### **Recruitment and Appointment of Trustees**

The Board of Trustees aims to be a clearly identifiable body with the right balance of skills and experience to govern VSA effectively. Each Trustee has an individual, as well as collective, responsibility for exercising general control and management over the administration of VSA. The Board of Trustees directs the affairs of VSA and ensures that it is well run, delivers on its charitable objectives for the benefit of the public and remains solvent at all times.

The Board of Trustees understands its responsibilities and ensures it has systems in place to deliver them effectively. This includes the identification of the broad skills, knowledge and experience required for the effective direction of VSA. The recruitment, selection and rotation of Trustees is based on the mix of skills, knowledge and experience that individuals have to offer, bringing diversity to the Trustee body. All potential Trustees are interviewed by a group of nominated Trustees before being recommended to the Board for approval.

The Board of Trustees is comprised of members who are elected as individuals. Members of the Board are elected at the Annual General Meeting, normally for a period of three years and for two terms of office, although there are no restrictions on the number of three-year terms which can be served. Usually, one-third of the current Board members retire each year, and are eligible for re-election, usually for no more than three terms of office. Members can be co-opted to the Board as vacancies arise and may be nominated for election at the next Annual General Meeting. There should be no less than ten and no more than eighteen members of the Board.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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#### **Trustee Remuneration and Insurances**

VSA follows the OSCR regulations and guidance on Trustee Remuneration and no Trustees will be remunerated from the charity's assets unless there are exceptional circumstances that arise which comply with the OSCR regulations and guidance. There were no Trustee remuneration payments and no payments for expenses to the Trustees in the reporting year. During the year qualifying third party indemnity insurance was in place to indemnify the Trustees against the consequences of any neglect or defaults.

#### **Trustee Induction and Training Programmes**

New Trustees are provided with a copy of the Memorandum and Articles of Association and a pack of other documents (such as Financial Regulations) that describe the role, functions and operations of the Board, Committees and Sub Committees. New Trustees are also provided with, and briefed, on a document explaining the role of Board members as Company and Charity Trustees. There is a regular and varied programme of Trustee induction and training in place. Trustees received a training session on good governance and the Scottish Governance Code. There is a regular programme of site visits to gain further understanding of the charity's work.

#### **Organisational Structure**

The Board of Trustees meets quarterly to deal with normal business. The governance and management structure of the charity is such that there is a Services Committee, a Corporate Resources Committee and also an Audit & Risk Committee. In February 2025, the fundraising sub-committee was absorbed into the Corporate Resources Committee. These Committees meet regularly to monitor the work and performance of the charity and to develop new policies and initiatives as appropriate and make recommendations to the Board of Trustees. An Executive Committee can be called to act on behalf of the Board as required.

The Board of Trustees is supported by the Executive Management Team responsible for day-to-day operations.

#### **Strategic Report**

The descriptions under the headings "Principal Risks and Uncertainties," "Reports from Services" and "Financial Review" meet the company law requirements for the Trustees, in their role as company Trustees, to provide a strategic report.

#### **Risks and Uncertainties**

##### **Risk Management Framework Overview**

The Board of Trustees is ultimately responsible for the effectiveness of risk management within VSA and for ensuring there is a strong risk management culture, supported by appropriate internal control systems and processes. This includes overseeing how risks are identified, assessed, and mitigated across the organisation.

VSA operates a two-tiered risk management framework designed to ensure that both strategic and operational risks are appropriately identified, assessed, managed, and monitored.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)****Operational Risk Register**

The Operational Risk Register captures risks that arise from day-to-day operations across services, support functions, and departments. These may include risks relating to people, systems, compliance, service quality, or internal processes. The Executive Management Team (EMT) reviews and maintains the Operational Risk Register regularly, ensuring control measures are in place and that mitigation actions are monitored and updated as required.

If an operational risk is considered to have potential strategic or organisation wide impact such as affecting VSA's long-term objectives, reputation, regulatory compliance, or financial sustainability it may be escalated to the Corporate Risk Register.

**Corporate Risk Register**

The Corporate Risk Register (formerly referred to as the Strategic Risk Register) captures those risks that could inhibit the smooth running, operational effectiveness, and reputation of VSA. These risks often include external threats (e.g. funding, policy changes), governance risks, or major internal challenges.

The Audit & Risk Committee reviews the Corporate Risk Register in detail on a quarterly basis, assessing the effectiveness of controls, mitigation actions, and alignment with strategic priorities. The principal strategic risks and uncertainties, along with the mitigation measures which are in place, are as follows:

<b>Principle Risks and Uncertainties</b>	<b>Implemented Risk Mitigation Measures</b>
Able to deliver competent leadership and plan for leadership succession (trustee and employee succession plan)	<ul style="list-style-type: none"> <li>• Succession profiling and planning</li> </ul>
Able to maintain or develop income streams and control expenditure to ensure sustainability	<ul style="list-style-type: none"> <li>• Careful scrutiny of cash flows and free reserves</li> <li>• Finance new projects and maintain VSA estate whilst being prepared for unforeseen circumstances</li> <li>• Strategy and sustainable improvement plan developed to deliver net positive cashflows in medium term</li> </ul>
Protect the charity's aims & objectives	<ul style="list-style-type: none"> <li>• 2025-2035 Strategy development work completed and approved by Trustees</li> </ul>
Ability to attract, maintain and grow supporters	<ul style="list-style-type: none"> <li>• Fundraising communications and marketing strategy which aligns VSA strategy brand and narrative to its purpose</li> </ul>
Able to manage a critical incident (Critical Incident Plan)	<ul style="list-style-type: none"> <li>• Regular review and active testing of business continuity and disaster recovery plan</li> </ul>
Able to deliver core services effectively	<ul style="list-style-type: none"> <li>• Ensure mechanisms are in place to monitor, evaluate and maintain high standards of care and support for individuals</li> </ul>
Successfully implement change management	<ul style="list-style-type: none"> <li>• The executive management team and senior leadership team are driving organisational change through structured coaching, staff engagement and a new operational model</li> </ul>

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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#### **Executive Review**

The financial year 2024-25 marked a period of significant transition for VSA. We operated in a challenging external environment, shaped by persistent inflation, rising energy and staffing costs, and increased demand across the care sector. A notable near future financial pressure arose from the UK Government's decision to increase Employer National Insurance Contributions (ENICs), a move that we joined with Coalition of Care Providers in Scotland (CCPS) to lobby for social care providers to be made exempt but failed to secure.

Against this backdrop, we undertook a strategic review of our current five-year plan (2020–25) to assess our progress, evaluate emerging needs, and shape a new vision for the organisation. This review laid the foundations for our 2025-30 strategy, which will drive transformation across VSA in the years ahead.

This year also saw VSA begin delivery of a new service contract to provide the Aberdeenshire Carers Service. As a result, our staff team grew to include additional roles focused on carer support, including a Carer Advisor, Young Carers Team Lead, Adult Carers Team Lead and Grants Officer. These positions have further enhanced our ability to provide integrated, community-based care to unpaid carers across the region.

This year thanks to our longstanding relationship and increased support with BP, our Fuel Fund supported a record 612 households pay their energy bills by working in a new partnership with Cfine and Cyrenians.

Throughout this period of change, we have maintained our focus on quality, safety, and sustainability. We are deeply grateful to our funders, donors, partners and supporters, whose contributions make our work possible.

We continued our commitment to achieving net zero by 2045. Our total emissions fell compared with 2023, reflecting energy efficiency measures and renewable electricity purchasing.

In late 2024, VSA finalised the sale of Richmondhill House, a former children's respite facility. The property, once home to valued family and children's services that are no longer commissioned, had been on the market for over 18 months and was ultimately sold below market value due to limited demand. This was a difficult but necessary decision, driven by the absence of service income and the ongoing costs of holding a redundant asset.

And after almost 30 years of delivering high-quality care to older people, we made the very painful decision to close our much loved and needed residential care home, Ruthrieston House, in January 2025. We want to thank everyone involved in helping us to support residents up to their last days with us and the staff the majority of whom we supported into roles across other VSA services.

We remain committed to our mission of providing the best of care to enable the best of lives, and to doing so with integrity, innovation, and impact.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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#### **Section 172 Statement, Employee Engagement and Business Relationships**

Aberdeen Association of Social Service trustees are Directors for the purposes of company law. The Directors are committed to acting in accordance with a set of general duties that are set out in section 172 of the Companies Act 2006. They act in a way that they consider, in good faith, would be most likely to promote the success of the charity for the benefit of its members as a whole, and in doing so have regard to the following factors:

##### **The likely consequence of our decisions in the long term**

Financial and operational sustainability is integral to our ability to deliver complex care to the vulnerable people in the community that the charity supports. We continue to respond to the changing demands of local social care priorities and are monitoring the passage of Scotland's National Care Service legislation. At the centre of our priorities is seeking to meet increasingly complex care support needs against a backdrop of public spending been unable to keep pace with prices and seeking to protect the organisations' resilience. This backdrop of volatile and unpredictable external forces continues and is unlikely to alter for some time. The forthcoming strategy development work will provide the opportunity to review our diverse service portfolio and the extent VSA can spread the risks as it does currently and consider how to reduce its reliance on commissioned income increasingly under pressure.

##### **The interests of employees**

As a recognised Investors In People Platinum award organisation, the charity continues to demonstrate the value and importance it places on its people. The continuing ability to attract, motivate train and retain the best staff and volunteers is fundamental to keeping people safe and leading independent lives as much as possible. This year we brought back our proactive occupational nurse capability supporting staff 5 days a week providing individuals with quick responsive personal support and offering the workforce as a whole proactive wellbeing and healthy lifestyle advice and counselling offered to those who need it. Our HR Business partners know their services well and are visible and able to support staff who facing additional pressures around the continuing cost-of-living challenges. VSA takes all the steps necessary to support and retain our people.

##### **Business relationships with key stakeholders, suppliers and customers.**

This year we continued to develop working relationships and reconnect with our wider stakeholder network. We have strong supplier relationships which have endured beyond the pandemic. This year we have leased part of the first floor of our Head Office premises to Aberdeen Council of Voluntary Organisations (ACVO) and the emergency services and city have used our Broomhill Activity centre for a wide range of public service and community events. We continue to work closely with the Health and Social care Partnership to explore and pilot interim, emergency and bariatric placements provide the local health and social care partnerships to help them to fill service gaps. The strong relationships we hold with local corporate businesses and suppliers continue to be strong.

##### **Impact on the community and the environment**

VSA services are an integral part of the North East of Scotland community and economy, with a presence across the city and beyond. The charity is conscious of the environmental impact of its operations and the organisation has demonstrated our commitment to achieving our net zero ambitions with small improvements over the last year. A carbon footprint audit is undertaken annually to evaluate reductions in GHG emissions and set realistic and achievable targets that will be reported on in future annual reports.

##### **High standards of business conduct**

Our care and charitable activities rightly operate in a highly regulated environment. We are committed to maintaining the highest possible level of care by meeting and exceeding expectations set by the Care Inspectorate. Staying on top of an increasing range and complexity of care support needs is critical and a challenge we place considerable effort into. We aspire to the highest standards of fundraising and are committed members of the Scottish Fundraising Standards Panel. All our fundraising staff and events follow the Institute of Fundraising's Codes of Conduct and Practice. We are active members of CCPS which adheres to the requirements of the Lobbying (Scotland) Act 2016 in our relationships with elected members of the Scottish Parliament and other government officials.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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#### **The need to act fairly between members of the company**

Our Board and its various Committees operate within clear terms of reference with reviews of Board effectiveness and a policy of Board rotation in place. Everything that we do, up to and including Board level, is underpinned by our values to provide the best care possible. The Directors have actively participated in a review of governance arrangements measuring their progress against both OSCR codes of practice and the Scottish Good Governance Code and focused this year on safeguarding adults and children.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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#### **Strategic Review and Reconciliation (2022–2025)**

As we prepare to implement VSA's new five-year strategy for 2025-2030, this year marked the conclusion and review of our previous three-year strategy, which spanned the financial years 2022-23, 2023-24 and 2024-25.

The strategy review focused on six key areas: People, Customer Service, Financial Sustainability, Operational Infrastructure, Stakeholder Engagement and Partnership.

Across these pillars, we made significant progress:

- We delivered our first all staff engagement survey and a formal recognition strategy, began rolling out improved internal communication and engagement channels, personal development, and training pathways, and established new roles to support future-facing innovation and income diversification.
- We fulfilled our commitment to annual engagement surveys with service users and families, continued to develop service improvement plans, and began detailed reviews and community research to shape future services.
- We enhanced budget monitoring practices, developed a carbon reduction strategy (now fully implemented), and laid foundations for broader income stream diversification from 2025 onward.
- In operational infrastructure, we implemented asset management recommendations, launched feasibility work for our Easter Anguston site, and initiated reviews of business systems and governance frameworks.
- Our intranet project launched, and a new volunteering and community engagement policy was initiated, alongside preparatory work for our new external PR and stakeholder strategies.
- Partnership work expanded through collaboration with organisations such as GCC, CFINE, and Cyrenians, while new self-funder services launched and further efficiency opportunities were scoped.

This reconciliation process has provided valuable insight into what we have achieved, what remains in progress, and where to focus our efforts in the next strategic phase. As we move into our 2025–2030 strategy, we do so with greater clarity, more robust governance, and a renewed sense of purpose rooted in the learning of the past three years.

#### **About VSA**

##### **Who we are**

VSA was founded as a charity in 1870 and has evolved from a city mission into one of the largest Scottish place-based providers of health and social care as well as supported learning. We are an independent charity, governed by local trustees who make decisions solely in the charity's best interests - all decisions are guided by our charitable objects. Our mission is to provide the best of care and support to enable our community to fulfil its potential.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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#### Our network of services

We deliver 25 services across Aberdeen and Aberdeenshire, supporting over 2,000 local people directly, through life's challenges. These services include:

- **Residential Care, and Housing Support** with free personal care for older people, individuals who are learning disabled and those with mental health support needs.
- **Children and Families** supported education and residential placements for children and young people from all over Scotland with complex additional support needs.
- **Young and Adult Carers Services in Aberdeenshire**, providing practical and emotional support, respite breaks and advocacy for unpaid carers.
- **Mental Health and Wellbeing Services** including counselling, community outreach and support for people with complex needs.
- **Adult Trainee Work Placements at Easter Anguston Farm** providing adults who are learning disabled with lifelong learning and work opportunities to help build self-esteem and confidence.
- **Financial Support Grants**, such as our **Fuel Fund**, to help people meet basic needs.

This breadth allows us to respond to individual needs, offering everything from light touch outreach to 24-hour end of life support.

#### A year of transition

During 2024–25 we began laying the groundwork for building a short term and long-term plan. We introduced new strategic roles to drive innovation, completed the handover of the Aberdeenshire Carers Service, expanded the resources, and supported more households needing help paying their household fuel bills and started to develop our 2025–30 strategy development. These actions have set the stage for major changes next year.

#### Our People

##### Valuing our staff and volunteers

Our work is powered by 650 employees and 100 volunteers. The dedication, skill and empathy of our staff are our greatest assets. Our skilled staff consistently demonstrate the highest levels of commitment, adaptability, and passion for what they do.

Along with our staff, volunteers continue to play a vital part in VSA and are key to our culture and sustainability. Almost 100 volunteers gave us their time during 2024–25. Volunteers support across various elements of our efforts including supporting our year-round fundraising events; run our Mercat Bookshop; work at VSA's Easter Anguston Farm; work on renovation projects at our other properties; are involved in our governance; and provide companionship to service users and support carers.

##### Investing in our People

2024–25 was a foundational year for strengthening our workforce and building the organisations' resilience. This year we introduced more communication channels to engage our workforce staff and volunteers. We launched VSA's Employee Partnership Forum; our Wednesday Weekly e-letter, our quarterly printed newsletter and our quarterly 'Town Halls' to bring all staff together online.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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We also launched seven new training courses covering personal care; palliative care; equality, diversity, inclusion and belonging; anaphylaxis; epilepsy; catastrophic bleeding; and Parkinsons. We worked with RGU to provide a new advanced safeguarding course and launched e-learning training for non-frontline staff on safeguarding. We also delivered our own Safer People Handling course which means we can tailor it specifically to our services, and we now have internal provision for food safety, training, and audits.

Our accredited SQA Centre enabled 48 more staff to gain nationally recognised qualifications, and we continued to embed a culture of continuous learning. With seven new courses incorporated this year, we now have 64 courses in total supported by a competency framework that is designed in collaboration with the senior managers, listing the mandatory and voluntary training for each service and job role. Our courses include face-to-face, e-learning and workshops. The framework outlines how often the training needs to be refreshed and managers book staff training as required. We continue to receive good feedback from SQA quality assurance visits across the qualifications we deliver.

Our Modern Apprenticeship (MA) framework was awarded another contract from Skills Development Scotland (SDS) to enable 57 new apprentices. We received strong feedback from SDS with areas of the quality criteria graded excellent. As an SQA approved centre, we also started advertising our provision of qualifications externally and we now have eight self-funders – four of those are independent and four of those are from other care organisations.

We are dedicated to building a culture of inclusion and filled a variety of new roles this year. As part of getting ready to deliver transformation, we expanded the Marketing and Fundraising function to help us increase income generation and invested in the creation of a new directorate for Business Development, Marketing, and Innovation. This investment equips VSA to start to diversifying income generation beyond statutory funding to enable us to explore private finance, individual giving, social philanthropy, and become more commercially focused in our approach to fundraising and income generation. The directorate also started to prepare the way to increase our capacity to tell our story and encourage people to know more, value our work and want to support us.

As the strategy developed, Director of Operations and Transformation Director roles were created to support the translation of the strategy into service business plans and delivery

We looked to strengthen governance, risk management and organisational assurance by creating the new role of Head of Compliance, Secretariat and Administration, and a new Health and Safety Administrator role was added to further bolster our compliance and safe working practices..

With the delivery of a new strategic contract to provide the Aberdeenshire Carers Service, our staff team grew to include additional roles focused on carer support. These included a Carer Advisor, Young Carers Team Lead, Adult Carers Team Lead and Grants Officer. These positions have further enhanced our ability to provide integrated, community-based care to unpaid carers across the region.

#### **Employee Partnership Forum**

Recognising the importance of meaningful staff engagement, we launched the **Employee Partnership Forum** in January 2025 using a Fair Work employee partnership model. This forum, chaired by our HR Director and co-chaired by rotating employees, meets every two months to represent staff views, consult on organisational changes, promote fair work principles, and build shared responsibility. Members receive paid time to participate and commit to confidentiality. The forum embodies our commitment to Fair Work and ensures that staff shape and drive our transformation.

# ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

## TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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### Key People Statistics

Metric	Figure (2024/25)	Overview
Total employees	648	Across all services and functions
Volunteers	94	Supporting services, fundraising and governance
Long serving staff	40 years	VSA is very proud to have numerous long-serving colleagues working tirelessly for the charity over multiple decades. Karen Watt celebrated 40 years this financial year and we are incredibly grateful for her dedication and service.
Training programmes	48	48 professional qualifications were achieved through our SQA accredited centre. While 92 VSA employees are still in process of working towards their qualifications.
Employee Partnership Forum	Launched Jan 2025	Formal staff engagement mechanism
Additional metrics		78% Female / 22% Male British 63.5% / EU 11% / Other Nationalities 25.5%

### Our Reach and Services

Our work is evolving to meet changing needs and expanding our impact.

#### Young and unpaid carers

- Aberdeenshire Carers Service** – This is a new service that VSA provides with the contract launched in April 2024 initially supporting 1,100 unpaid carers. Over the course of the year the service has grown significantly to support **1,700 unpaid carers**. The team provide vital support including: sign posting to information as well as grants and financial relief; adult carer support plans; young carer statements; awareness raising and advocating for the rights of carers; emotional support; respite opportunities; and residential experiences where young carers such as Derryn can overcome anxiety, build friendships, confidence and improve school attendance.

#### Children and Family Services

- Linn Moor School and Campus** – continued to deliver specialist residential education and care to 21 students from across Scotland with autism and complex learning needs. Many autistic children struggle in home or mainstream environments due to lack of consistent routine, unclear expectations, and overstimulation. Linn Moor now provides therapeutic care as well as a structured environment where students can feel safe and focus on learning. The Care Inspectorate again rated the school and its residential accommodation as **Very Good** across all areas.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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- **Rowanlea House** – launched in 2015 as one of the first services of its kind, the service is designed to help young adults adjust to life after school. This service, which is attached to Linn Moor School, offers accommodation and in addition skills training and development for adults aged 18-26 with complex needs.
- **ASN Early Intervention Programmes** – A core focus of our work is supporting preschool age children, and their families, who are living with additional support needs (ASN). This year for the first time, we were awarded funding to support a Local Authority Nursery. We expanded this year to support more children with additional support needs, providing early identification and family centred interventions.
- **Richmondhill House** - In late 2024, VSA finalised the sale of Richmondhill House, a former children's respite facility. The property, once home to valued family and children's services that are no longer commissioned, had been on the market for over 18 months and was ultimately sold below market value due to limited demand. This was a difficult but necessary decision, driven by the absence of service income and the ongoing costs of holding a redundant asset. Proceeds from the sale will be redirected towards essential property reinvestment to support current and future service needs.

#### Learning Disabled Services

- **Forestgait Lodge** – over the year we continued to deliver care at home to 16 residents of varying ages, capabilities, and diagnoses. This service allows our residents to continue to live at home with independence and supports them in achieving their goals and personal outcomes.
- **Craigton Grove** – provides supported accommodation for 12 learning disabled adults.
- **Easter Anguston Farm** - our Adult Trainee Day Placement Programme, supported 15 adults during the year. Many adults with learning disabilities want the opportunity to work. Trainees on our day placement programme have the opportunity to learn a variety of skills and gain valuable work experience while working towards an accredited SVQ. Our aim is that our trainees are given the skills, experience, and opportunity to secure permanent or part time employment within the local community.

#### Mental Health and Later Life Services

- **Crosby House** - provided residential care for 40 older people.
- **Broomhill Park** - provided very sheltered housing service for 40 residents. This year's Care Inspection rated it **Very Good** for supporting wellbeing and **Good** for the staff team.
- **Cloverfield Grove** - provided very sheltered housing service for 40 residents.
- **Ruthrieston House** - after almost 30 years of delivering high-quality care, we made the painful decision to close our much loved and needed residential care home, Ruthrieston House, in January 2025. With insufficient staffing which led to a poor care inspectorate report we concluded we were unable to reinstate the high-quality care in a satisfactory timeframe. We redeployed the majority of affected staff across other VSA services.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

- **Northfield Lodge, Arrdeir House, Westerton Crescent, Queen Mother House and St Aubins** – over the year we provided 24-hour specialist residential support for 68 people living with severe or enduring mental health conditions.

#### Community Services

- **VSA Care @ Home** – VSA is a member of the Granite Care Consortium delivering 41,600 hours of care across the city every year. This year we delivered 800 hours a week of flexible care and enabling support to adults who live in their own homes independently. October 2024 inspection grades were **Very Good** for leadership and staffing and **Good** for supporting wellbeing and care planning.
- **VSA's Fuel Fund with BP** – thanks to our partner BP this year we delivered 612 fuel grants helping vulnerable people and families, stay warm during the winter.
- **Broomhill Park Activity Centre** - An Activities Development Co-ordinator funded by the John Gordon Charitable Fund was engaged in February 2024. The role will help deliver a new activities programme for the centre to engage the local community. It will create a safe space for connection and foster a deeper sense of belonging. Plans for partnerships with other charities are part of a co-designed development plan to bring service users from various local charities together, helping create meaningful connections to combat loneliness and isolation.

#### Service quality and inspection results

The Care Inspectorate evaluated several services between 1 April 2024 and 31 March 2025. All were graded Good or Very Good. Notable results include:

Service	Date of inspection	Ratings	Highlights
Care @ Home	15–21 Oct 2024	Wellbeing: 4 – Good; Leadership: 5 – Very Good; Staff team: 5 – Very Good; Care planning: 4 – Good	Inspectors praised personalised support and strong leadership; care plans need more frequent Updates.
Broomhill Park	25–26 Feb 2025	Staff team: 4 – Good; Supporting wellbeing: 5 – Very Good	Staff were commended for deep knowledge of residents, meaningful activities and a homely atmosphere.
St. Aubins	30 Apr 2025	Support, environment, staffing: 5 – Very Good; Management: 4 – Good	Maintained very high standard.
Linn Moor School	13 March 2025	Supporting rights and wellbeing: 5 – Very Good	The Care Inspectorate continued to rate the school positively across the board with grade 5 – Very Good.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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#### Fundraising, philanthropy, and partnership community giving

The fundraising environment is competitive and remains incredibly challenging, yet our amazing supporters demonstrated unwavering generosity again. We are truly grateful to everyone who donated and helped us fundraise. From individual donors and grant donations to corporate partners and fundraising events, this year was another full calendar of kind community giving. Thank you all so much. We could not provide our vital services without your help and generosity.

It is important to note, that while we are incredibly proud of this progress, we recognise the need to diversify income and strengthen reserves to sustain transformation. Our future independence as a charity relies on community support, and continued innovation in fundraising will be essential to achieve our goals. We are committed to this growth going forward, as we look to create new ways to fundraise and support our mission.

#### VSA Fuel Fund with BP: Addressing Energy Poverty

VSA's Fuel Fund has existed in some form for over a century, beginning with small donations of coal to vulnerable families in Aberdeen. While the method of delivery has changed, the mission has remained constant: to help people in financial crisis heat their homes and protect their wellbeing.

In 2024–25, with huge thanks to our partnership with BP, our Fuel Fund supported a record **612 households**, responding to soaring energy costs and the ongoing cost-of-living crisis. This year, we saw an increase in demand from working households and younger adults aged 20–40, signalling a broadening need beyond traditionally vulnerable groups.

The Fund also alleviated mental health strain, with recipients reporting reduced stress, improved physical wellbeing, and the ability to reallocate household income toward food, rent, and essentials. As VSA looks to the future, the Fuel Fund remains a vital safety net, a link between our charitable roots and our commitment to supporting people through modern challenges. Its continued success will depend on community generosity and strategic investment, ensuring no one in our care must choose between warmth and wellbeing.

#### Corporate Volunteering

Corporate volunteering provides us with essential improvements, from basic upgrades like painting and repairing fences to innovative projects such as building multi-purpose summerhouses. These generous organisations fund and help us enhance environments and facilities for our service users. This financial year, we have had several groups of corporate volunteers from various organisations. For example, Ithaca Energy donated funds and transformed an overgrown plot of land into a sensory garden for Linn Moor School, with volunteers working on the project over several months.

The Linn Moor Campus sensory garden has significantly benefited our students. It has helped anxious students settle and move beyond their need for enclosed, safe spaces, building their confidence and resilience. This has enabled them to connect better with staff and other students and learn in a less controlled environment.

The garden has become a great base for staff to build relationships and encourage communication through playful, responsive interactions, following the students' lead and interests. We have also used the space for Makaton singing lessons and plan to extend this to a weekly sensory story time.

The garden provides therapeutic benefits through deep pressure and gentle movement. For instance, hammocks hung in the trees offer students a break from gardening tasks, helping them regulate their nervous systems and adding to their self-care toolkit.

Additionally, the garden helps students develop essential life skills. The physical work involved in gardening; digging, transporting soil, filling raised beds, watering, and sweeping, which provides deep pressure input that calms and focuses them. This sensory experience allows their nervous systems to reset, making them better equipped for other activities throughout the day.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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Caring for plants has helped students develop a sense of responsibility and connection to the natural world. They are learning about time and seasonal cycles while caring for their school environment. This combination of physical work and environmental care creates meaningful learning experiences beyond the classroom.

#### The Christmas Appeal 2024

We partnered local radio station Original 106 FM for our Christmas Appeal. The campaign generated thousands of unwrapped gifts that we shared across all our services. It meant that all our vulnerable children and adults who we support across Aberdeen City and Shire all had gifts to open over the festive period. Thanks to the generosity of Original 106 FM listeners, the 36 drop off point businesses and the delivery companies who supported us, it was the most successful Christmas Appeal we have ever had.

#### Fundraising Ball

Our fundraising ball is one of our calendar highlights, and most importantly it raises significant funds for VSA. This year it raised a total of £108,605 in aid of our services.

#### Run Balmoral

70 runners represented VSA at Run Balmoral in April 2024, taking on both the 5K and 10K races within the grounds of Balmoral Estate. VSA have enjoyed a long association with Run Balmoral, and we were delighted that participants across our community and corporate partners chose to fundraise more than £10,000 in aid our services.

#### London Marathon

We were again proudly represented at the world-famous London Marathon, with another five runners running the iconic 26.2-mile route. Together they raised over £14,000 for our services.

#### Net zero commitment and sustainability

Transition to a sustainable future is central to VSA's strategy. We are committed to achieving net zero by 2045. Our 2024–25 greenhouse gas inventory recorded 2,258 t CO<sub>2</sub>e – a slight reduction from previous years. Major sources included natural gas (758.69 t CO<sub>2</sub>e), electricity (322 t CO<sub>2</sub>e), homeworking and commuting (522 t CO<sub>2</sub>e) and upstream energy (296 t CO<sub>2</sub>e). The largest emitting sites were Linn Moor School (545 t CO<sub>2</sub>e), Crosby House (241 t CO<sub>2</sub>e), Broomhill Park (235 t CO<sub>2</sub>e), Cloverfield Grove (187 t CO<sub>2</sub>e) and Castle Street Head Office (186 t CO<sub>2</sub>e). Total emissions fell by 16.6 t CO<sub>2</sub>e compared with 2023, reflecting energy efficiency measures and renewable electricity purchasing.

We will build on this progress by:

- Moving all sites to renewable electricity contracts.
- Developing a comprehensive carbon management plan and investing in energy efficiency improvements.
- Embedding sustainability principles in service planning, procurement, and governance

The appointment of Trustee Zoe Yuill, who specialises in sustainability, ESG and net zero integration, underscores our commitment to this transition.

#### Governance and trustees

VSA is governed by a Board of Trustees who volunteer their time to provide strategic oversight, ensure regulatory compliance, and safeguard our charitable mission. The board draws expertise from health, social care, business, law, and sustainability. In January 2025 we welcomed Dr Rajan Gupta, a local general practitioner and educational supervisor with more than 20 years of NHS experience, and Zoe Yuill, a consulting partner at Green Arch Consulting and specialist in integrating sustainability and ESG into business strategy. Their appointments strengthen our governance aligns with our strategy and enhances our net zero ambitions.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

Chaired by James Knowles, the board meets regularly to review performance, manage risk and oversee the transformation programme. Trustees also serve on sub-committees covering corporate resources, finance, and risk. During this financial year Stephen Burt and Liz Hancock stood down as Trustees and we would like to take this opportunity to thank them both for their service on the VSA Board. We continue to recruit Trustees with diverse backgrounds to reflect our ambitions, services, and the communities we serve.

**Looking Ahead**

The 2024–25 year was a time of reflection and important groundwork. We listened to our communities, assessed our strengths, and identified where we must evolve. We invested in people and infrastructure, expanded services, and began embedding sustainability across our operations.

The coming year 2025–26 marks the start of our transformation programme, guided by our new 2025–30 strategy. We plan to roll out innovative service models, diversify income, reduce our carbon footprint, and further enhance governance. Through transition and innovation, we will increase our impact, continue to deliver compassionate, person-centred care and remain a trusted, independent local charity for future generations.

Thank you to everyone who walked with us during this pivotal year. Together, we are shaping a sustainable, resilient VSA that will continue to transform lives across the North East of Scotland.

**Financial Review**

Financial year 2024/25 was the tenth year of adoption of the Accounting Standard FRS 102 and the Charities Statement of Recommended Practice (SORP).

The financial results of the Charity show net deficit for the year of £(2,769,000) (2024: net deficit of £(1,826,000) prior to revaluation of tangible fixed assets. This is further analysed as follows;

	£'000
Net Outgoing Resources from charitable activities and trusts & endowments (before Depreciation and expenditure met from Designated Funds)	(698)
Deduct: Depreciation charged to unrestricted funds	(499)
Depreciation charged to revaluation reserve	(351)
Adjustment for: Realised/Unrealised Loss on Investments	(94)
Adjustments for: expenditure from designated funds	(88)
Adjustments for: expenditure from restricted funds	(452)
Adjustment for spend on legal costs and property conditions survey	(444)
Adjustment for movement in debtors and creditors	(143)
Net deficit	(2,769)

A designated sum of £100,000 was brought forward from 2023/24 to cover refurbishments at Queen Mother House. A sum of £88,000 was transferred leaving £12,000 carried forward to the 2025/26 financial year.

The movement in designated funds, within Unrestricted Funds, is detailed in Note 23 to the Financial Statements.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

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There was an adjustment for net gains or losses on investments. There was a realised loss on the sale of some investments during the financial year of £16,000 (2024: £10,000 gain), plus an unrealised loss on the value of investments at 31 March 2025 of £64,000 (2024: £193,000 gain).

Capital expenditure incurred during the financial year was £25,000 compared to £47,000 expended in the previous financial year. Capital expenditure related to the purchase of a vehicle for property maintenance.

#### Reserves Policy

The charity aims to maintain an adequate level of available reserves to: -

- Provide protection against fluctuations in income from various sources so that existing services remain fully funded.
- Provide a source of funding for new services and capital expenditure programmes.
- Respond to unexpected high priority additional expenditure pressures.

The Trustees considered the following factors in determining an effective reserves policy.

- Evaluating the current and future financial environment, both internal and external, in which VSA is operating.
- Deciding on what is an appropriate measure of available reserves.
- Determining a target level of available reserves.

#### The financial environment in which VSA is operating

The Trustees considered the following factors, with a focus on the 2025/26 financial year.

- 1) The certainty of future flows of budgeted income, including an assessment of whether service delivery contracts were due for renewal or renegotiation, along with an assessment of funding.
- 2) The potential for unbudgeted expenditure being incurred which cannot be offset, timeously, by reprioritising other areas of spend.
- 3) Future spending plans on large revenue and capital projects and how they are to be funded.
- 4) Policy on use of designated funds within unrestricted reserves.
- 5) The strength of the fundraising resource and fundraising strategies.
- 6) Assessment of the approach to strategic risk management.
- 7) Property asset management planning.

#### What is an appropriate measure of available reserves?

During the financial year the Trustees confirmed that the measure of available reserves should remain as the level of investments plus cash held in the various bank accounts.

#### What is the target level of available reserves?

VSA continues to adopt a policy of retaining sufficient reserves to shield it from the financial impact of unforeseen events, or events over which we have no control, such as an economic downturn and local authority budget cuts that could reduce income levels and limit service delivery.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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The Trustees regularly review the level of reserves designated for future operating costs and capital projects, and consider the risks associated with sustaining income streams and managing expenditure in accordance with budget. They are also cognisant of risks associated with certain balance sheet items, including the potential for unexpected investment losses. The Trustees consider it appropriate that the policy should have the objective of holding reserves for future unanticipated operating costs and capital projects equating to at least 6 months of total operating income. The policy remains under review on at least an annual basis and will be adjusted to respond dynamically to both internal and external financial events

As at 31 March 2025 the actual level of available reserves (investments plus bank balances) was £3,771k. The target level of available reserves, based on 6 months equivalent operational income (excluding legacies and donations) in 2024/25, was £10,551k. The actual level of reserves fell short of this target at 31 March 2025. The Trustees recognise the objective will be very difficult to meet in the short to medium term principally due to the financial constraints in which the UK health care system operates.

**Going concern policy**

The Trustees believe, after careful consideration of (1) the level of investments (2) review of future funding requirements and (3) cashflow projections, that the Charity has sufficient financial resilience to continue in operational existence for the foreseeable future and has assumed that there will be no changes to the regulatory framework or Government policy that will affect the Charity's viability. The Trustees therefore consider it appropriate to adopt the going concern basis in preparing these financial statements.

**Principal Funding Sources**

The principal funding sources are currently by way of grants from Aberdeen City Council, both directly and via the Aberdeen City Health & Social Care Partnership, as well as income from board and residential charges. Some services such as Linn Moor School receive funding from local authorities throughout Scotland depending on the clients who make use of the service. Aberdeenshire Council provide funding for the Aberdeenshire Carers service. Funding is also received from The Scottish Government as well as individual Trusts, Foundations and Corporate bodies. More detail on grants is given in Note 4 of the Financial Statements.

**Investment Powers and Policy**

Under the Memorandum and Articles of Association, the Trustees have the power to make any investment for the benefit of the charity but not for the avoidance of tax. The Trustees, having regard to the charity's liquidity requirements, have a policy of keeping an appropriate level of funds available in interest bearing bank accounts to meet short-term operational needs. The remaining funds are held in a portfolio managed by the charity's appointed investment managers, LGT Wealth Management.

The LGT Wealth Management manage investment as a segregated portfolio. Dividend and interest income received in 2024/25 was £142k (2023/24 £149k), see Note 6. The level of risk attached to VSA's portfolio was determined by the Trustees as 'medium.' The portfolio investment performance is measured against a composite benchmark index consisting of the following:

FTSE Govt All Stocks Index (10%), Corporate Sterling Bonds Non-Gilts Index (10%), FTSE All Share Index (42.5%), FTSE World ex UK Index (32.5%), Cash - LIBID 1 month notice Index (5%). The only investment restriction agreed by the Trustees is that the fund is not to invest directly in the tobacco sector.

The market value of the combined portfolio as at 31 March 2025 was £2,979k (2024: £3,077k). There was a realised loss on the sale of some investments during the financial year of £16,000 (2024: £10,000 gain), and an unrealised loss on the value of investments at 31 March 2025 of £64,000 (2024: £193,000 loss).

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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The overall investment performance of the combined portfolio was below its benchmark over both the rolling 3- and 5-year periods.

#### **Remuneration Policy**

VSA's remuneration policy is based on motivating staff to achieve the aims and objectives of the organisation, in line with its charitable aims and objectives.

As a people-based organisation, VSA aims to provide a competitive remuneration package to attract, motivate and retain staff at all levels, recognising the local employment market conditions. The Board of Trustees established a Remuneration & Nominations Committee that advise Trustees on the remuneration policy for both senior personnel and staff at all other grades within the organisation. The Director of Human Resources, Learning & Development provides advice to the Trustees on the review and implementation of VSA's remuneration policies and practices.

The following methods are used to assist with decisions on employee remuneration:

- To monitor staff retention and recruitment to ensure VSA remains competitive.
- To conduct benchmarking exercises within the sector and local economy to ensure VSA is competitively placed.
- To consult local and national surveys relating to executive and management pay as well as staff at all levels.
- To seek legal and professional advice on remuneration to ensure VSA complies with equal pay and living wage requirements.
- To develop remuneration and benefits strategies which are budgeted and cost effective to retain key personnel (pensions' entitlements, allowances, holiday entitlements, home working arrangements, flexible working arrangements etc.)

The key focus for the charity in recent years has been to ensure that VSA pays frontline staff on or above the Scottish Living Wage. Despite uncertainties around funding levels VSA has been able to achieve this and also manage the related effects on salary differentials for all grades across the organisation. Given the challenging local job market, it is important that the charity remains competitive to attract quality staff to deliver high quality services to deliver the best of care and achieve the best of lives for the many people we support.

#### **Equal Opportunities Policy**

VSA is an Equal Opportunities employer, seeking to employ a wide range of skills and talents to ensure a diverse and committed workforce. A comprehensive suite of policy and practice, in support of this, is contained in our Employee Handbook. VSA continues to be a Platinum Member of Investors in People. Our recruitment policy and practices comply with the "Safer Recruitment" Guidelines, a joint publication issued by the SSSC and CI. This is regularly audited during annual CI visits. Our equal opportunities policy extends to include access to our training and development opportunities, making this available for all. VSA continues to be committed to the Disability Confident scheme.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

**TRUSTEES’ REPORT (INCLUDING STRATEGIC REPORT)**

**Sustainability Report**

**Summary of performance**

VSA’s key sustainability performance indicators are shown below.

Energy Consumption	Consumption (kWh)		Tonnes CO2e	
	2024/5	2023/4)	2024/5	2023/4
Gas	4,148,108	4,312,686	759	789
Electricity	1,556,367	1,578,672	322	327
Transport incl. Grey Fleet	324,685	300,155	76	70
<b>Total</b>	<b>6,029,160</b>	<b>6,191,513</b>	<b>1,157</b>	<b>1,186</b>

A correction to the 2023/24 emissions has been made as an improved methodology was adopted. The increase in reported 2023/24 emissions is 80.33tonnes CO2e (439,112 kWh).

The charity contracts with carbon footprint consultants Auditel (UK) Ltd to verify its carbon footprint.

The total emissions for during the financial year was 1,157 tCO2e. This amounts to an intensity ratio of 2.92 tonnes CO2e per employee (2023/4 – 2.94 CO2e) based on full time equivalents employees totalling 397 (2023/4 - 403).

We continue to use tCO2/FTE (tonnes of CO2e per Full Time Equivalent) as the intensity ratio as ours is a people-based organisation. This intensity ratio will best reflect changes in operation and energy consumption over time.

The following methodologies have been used:

- The GHG Protocol Corporate Accounting and Reporting Standard.
- The 2013 UK Government Environmental Reporting Guidelines (updated March 2019).
- The 2024 UK Government’s Conversion Factors for Company Reporting.
- The energy efficiency narrative methodology has been created based on energy management best practice.

**Carbon Reduction**

In 2024/25 the charity replaced the majority of lighting at Easter Anguston Farm with LED fittings, bringing the Farm in line with other sites. Two Aberdeen University students were recruited to develop and implement an energy reduction campaign. Each site identified energy champions to lead on the campaign. There was a consolidation of printing and scanning units whilst implementing moves to a cloud-based model.

It is the charity’s aim to ensure its environmental commitments continue to be an integral part of its day-to-day activities. It will continually improve its environmental impacts and operate in a responsible manner including reducing waste and making reductions in carbon emissions from heat, power, and travel.

**Auditor**

The auditors, Hall Morrice LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting of the charity.

The Trustees’ Report was approved by the Board of Trustees.

**J Knowles (Chair of Trustees)  
Trustee**  
12 / 01 / 2026

*James Knowles*

## **TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)**

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The Trustees, who are also the Directors of Aberdeen Association of Social Service (Operating as VSA) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the Trustees 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

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### **Qualified Opinion**

We have audited the financial statements of Aberdeen Association of Social Service (Operating as VSA) (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion except for the effects of the matter described in the basis of qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for qualified opinion**

The charitable company's Fixed assets are carried in the statement of financial position at Note 15. During the year, indications of impairment were identified for one of the properties which is currently valued at £2.1 million out of the portfolio of £34 million. Management has acknowledged that an impairment may be required, however, due to estimation uncertainty and the lack of reliable data, the amount of any required impairment cannot be accurately measured as at the reporting date.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

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#### **Other information**

The other information comprises the information included in the Trustees Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

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#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud as detailed below.

In identifying and assessing the risk of material misstatement due to non-compliance with laws and regulations we have

- Ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognize non-compliance with laws and regulations;
- Identified the laws and regulations applicable to the entity through discussions with directors and management and through our own knowledge of the sector;
- Focused on the specific laws and regulations we consider may have a direct effect on the financial statements, including FRS 102, the Charities SORP, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended);
- Focused on the specific laws and regulations we consider may have an indirect effect on the financial statements that are central to the entity's ability to conduct its charitable activities;
- Reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations;
- Made enquiries of management and inspected correspondence with the charity's regulator OSCR and legal correspondence;
- Ensured the engagement team remained alert to instances of non-compliance throughout the audit; and
- Reviewed minutes of meetings of those charged with governance.

In identifying and assessing the risk of material misstatement due to irregularities, including fraud and how it may occur, and the potential for management bias and the override of controls we have

- Obtained an understanding of the entity's operations, including the nature of its revenue sources and of its objectives and strategies, to understand the classes of transactions, account balances, expected financial disclosures and business risks that may result in risk of material misstatement;
- Obtained an understanding of the internal controls in place to mitigate risks of irregularities, including fraud;
- Vouched balances and reconciling items in key control account reconciliations to supporting documentation;
- Carried out detailed testing, on a sample basis, to verify the completeness, occurrence, existence and accuracy of transactions and balances;
- Carried out detailed testing to verify the completeness, validity, existence and accuracy of income including cut-off testing and ensure income recognition is in line with stated accounting policies;
- Made enquiries of management as to where they consider there was a susceptibility to fraud, and their knowledge of any actual, suspected or alleged fraud;
- Tested journal entries to identify any unusual transactions;
- Performed analytical procedures to identify any significant or unusual transactions;
- Investigated the business rationale behind any significant or unusual transactions; and
- Evaluated the appropriateness of accounting policies and the reasonableness of accounting estimates.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

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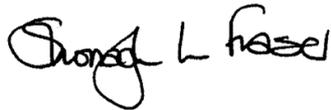
We did not identify any matters relating to non-compliance with laws and Regulations or relating to fraud.

Because of the inherent limitations of an audit, there is an unavoidable risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk of not detecting a material misstatement due to fraud is inherently more difficult than detecting those that result from error as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. Also, the further removed any non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.

#### **Use of our report**

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



**Shonagh L. Fraser MA CA**  
**Senior Statutory Auditor**

For and on behalf of Hall Morrice LLP  
Statutory Auditor 13 January 2026

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
<b><u>Income from:</u></b>					
Donations and legacies	3	330	315	645	960
Charitable activities	4	19,015	1,771	20,786	18,990
Other trading activities	5	175	-	175	184
Investments	6	<u>142</u>	<u>-</u>	<u>142</u>	<u>149</u>
<b>Total income</b>		<u>19,662</u>	<u>2,086</u>	<u>21,748</u>	<u>20,283</u>
<b><u>Expenditure on:</u></b>					
Raising funds	7	<u>329</u>	<u>-</u>	<u>329</u>	<u>314</u>
Charitable activities	8	<u>21,630</u>	<u>2,478</u>	<u>24,108</u>	<u>21,998</u>
<b>Total resources expended</b>		<u>21,959</u>	<u>2,478</u>	<u>24,437</u>	<u>22,312</u>
Net (losses)/gains on investments	13	<u>(80)</u>	<u>-</u>	<u>(80)</u>	<u>203</u>
<b>Net incoming/(outgoing) resources before transfers</b>		(2,377)	(392)	(2,769)	(1,826)
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(2,377)	(392)	(2,769)	(1,826)
Revaluation of tangible fixed assets		-	-	-	-
Total funds brought forward		<u>40,207</u>	<u>722</u>	<u>40,929</u>	<u>42,755</u>
<b>Total funds carried forward</b>		<u>37,830</u>	<u>330</u>	<u>38,160</u>	<u>40,929</u>

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.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****BALANCE SHEET AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	14		15		26
Tangible assets	15		34,328		35,722
Investments	16		<u>2,979</u>		<u>3,077</u>
			37,322		38,825
<b>Current assets</b>					
Debtors	17	1,964		1,649	
Cash at bank and in hand		<u>792</u>		<u>1,710</u>	
		2,756		3,359	
<b>Creditors: amounts falling due within one year</b>	18	<u>(1,918)</u>		<u>(1,255)</u>	
<b>Net current assets</b>			838		2,104
<b>Net assets</b>			<u>38,160</u>		<u>40,929</u>
<b>Income funds</b>					
Restricted funds	22		330		722
Unrestricted funds					
Designated funds	23	12		100	
Revaluation reserve	24	21,702		24,296	
General unrestricted funds		<u>16,116</u>		<u>15,811</u>	
			37,830		40,207
			<u>38,160</u>		<u>40,929</u>

The financial statements were approved by the Trustees and authorised for issue on 12/01/2026

*James Knowles*

J Knowles (Chair of Trustees)  
Trustee

*Zoe Yuill*

Z Yuill (Vice Chair of Trustees)  
Trustee

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)****STATEMENT OF CASH FLOWS AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Cash (absorbed) by operations	26		(1,577)		(1,252)
<b>Investing activities</b>					
Purchase of intangible assets		-		(10)	
Purchase of tangible fixed assets		(25)		(47)	
Purchase of investments		(576)		(470)	
Proceeds on disposal of tangible fixed assets		523		-	
Proceeds on disposal of investments		595		490	
Investment income		142		149	
<b>Net cash generated from investing activities</b>			659		112
<b>Net cash generated from financing activities</b>			-		-
<b>Net (decrease) in cash and cash equivalents</b>			(918)		(1,140)
Cash and cash equivalents at beginning of year			1,710		2,850
<b>Cash and cash equivalents at end of year</b>			<u>792</u>		<u>1,710</u>

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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#### **1 Accounting policies**

##### **Charity information**

Aberdeen Association of Social Service (Operating as VSA) is a private charitable company limited by guarantee incorporated in Scotland (SC018487). The registered office is 38 Castle Street, Aberdeen, AB11 5YU.

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties, and in accordance with the charity's memorandum and articles of association, 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £'000.

##### **Going concern**

The Trustees believe, after careful consideration of (1) the level of investments (2) review of future funding requirements and (3) cashflow projections for the next 12 months, that the Charity has sufficient financial resilience to continue in operational existence for the foreseeable future and has assumed that there will be no changes to the regulatory framework or Government policy that will affect the Charity's viability. The Trustees therefore consider it appropriate to adopt the going concern basis in preparing these financial statements.

##### **Charitable funds**

Unrestricted funds represent funds which are not committed, and which can be used in accordance with VSA's charitable objects at the Trustees' discretion. Trustees also have the discretion to set aside part of the unrestricted funds for a particular purpose or commitment. By earmarking such funds in this way Trustees are creating a designated fund that remains within unrestricted funds.

Restricted funds represent funds earmarked either by the donor or by the terms of an appeal or legacy where they have to be expended on particular projects or service area e.g. Older Peoples Service or acquisition of fixed assets. Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with its restrictions.

##### **Incoming resources**

Income is recognised in the monthly period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is allocated directly to the relevant category on receipt. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

## **ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025**

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Donations and legacies are included when the charity is entitled to the funds, their receipt is probable, and the amount receivable can be quantified.

Grants, including government grants, are recognised in the financial statements in the year in which the charity becomes entitled to their receipt or in the year in which receipt is probable and the value can be accurately measured.

Investment income is fully apportioned to unrestricted income.

All capital receipts are credited in full to incoming resources in the statement of financial activities (SOFA) in the year they become receivable.

All resources are recorded gross.

Costs of generating funds comprise those costs directly attributable to organising fundraising events, administering donations and legacies received, and in managing the charity shop and are allocated directly.

Charitable expenditure comprises those costs incurred by the charity in delivering activities and services for its service users. It includes both costs that can be allocated directly to such activities and indirect costs necessary to support them. These support costs are apportioned in ratio to the total overall support costs element.

#### **Resources expended**

Resources expended are included in the SOFA on an accrual's basis, inclusive of any VAT which cannot be recovered. This is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly and others are apportioned.

Governance costs include costs associated with meeting constitutional and statutory obligations of the charity and include audit and legal fees and costs linked to the strategic management of the charity and are allocated directly as part of support costs.

#### **Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets represent ICT assets which are not physical in nature, such as software licences and developments costs. Individual and enhanced intangible assets expenditure costing £10,000 or more, are capitalised in the balance sheet at cost.

Amortisation is provided in the year in which the intangible assets are brought into use and is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Software 5 years

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**1 Accounting policies**

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost. Freehold land and buildings are subsequently measured at valuation on the basis of fair value as defined within FRS 102, net of depreciation; all other assets continue to be recorded on the basis of historic cost.

Valuations are instructed every three years. Changes in valuation are processed through the revaluation reserve unless they result in a cumulative loss in which case changes are processed through the SOFA in the year of revaluation.

Individual tangible assets and subsequent enhanced tangible asset expenditure costing £15,000 or more are capitalised in the balance sheet at cost. Land and assets under construction are not depreciated.

Depreciation is provided in the year in which the tangible assets are brought into use and is recognised in order to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	10-50 years
Fixtures and fittings	5-10 years
Computers	5 years
Motor vehicles	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

**Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**Stocks**

A valuation of farm stocks was carried out at the financial year end. Stocks are stated in accordance with this valuation, which is at the lower of cost or net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

---

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand; deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**Financial instruments**

The charity 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 charity's balance sheet when the charity 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 simultaneous.

**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 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.

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.

**Derecognition of financial liabilities**

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

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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**1 Accounting Policies**

**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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The charity contributes to three pension schemes, The Pensions Trust, Scottish Teachers Superannuation Scheme and National Employment Savings Trust (NEST).

Within the Pensions Trust there is an Ethical Plan and a Flexible Retirement Plan which are both defined contribution schemes. Prior to January 2009 the charity contributed to Growth Plan Series 3 within the Pensions Trust, which was set up as a defined contribution scheme but the Pension Regulator re-assessed the Growth Plan Series 3 scheme as a defined benefit scheme and as a consequence it was renamed as Growth Plan Series 4. At 1st October 2013, the charity moved all members of the Growth Plan Series 4 to the Flexible Retirement Plan. The charity intends to continue to operate the Flexible Retirement Plan for all existing members and selected future employees.

Scottish Teachers Superannuation Scheme is a defined benefit scheme, but as VSA's share of the underlying assets and liabilities cannot be identified the contributions to the scheme, as advised by the Scottish Office Pension Agency, are accounted for as if it were a defined contribution scheme and are charged to the income and expenditure account so as to spread the cost of pensions over the period during which the company benefits from the employees' services.

National Employment Savings Trust is a defined contribution scheme which the company will operate for all other employees. The pension costs charged to the income and expenditure account are the contributions payable in the year.

**Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to expenditure on a straight-line basis over the term of the lease.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**2 Critical accounting estimates and judgements**

Preparation of the financial statements requires senior management to make some critical judgements and estimates. These judgements and estimates are continually evaluated and are based on historical experiences, advice from qualified professionals and other factors that are believed to be reasonable in the circumstances. The areas where senior management has made critical assumptions and estimates are:

- the going concern concept including cashflow projections
- allocation of management costs
- depreciation and amortisation policies
- reserves policies

**3 Donations and legacies**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total 2025 £'000</b>	<b>Total 2024 £'000</b>
Donations and gifts	101	129	230	590
Legacies received	169	15	184	158
Trust funds	60	171	231	212
<b>For the year ended 31 March 2025</b>	<u>330</u>	<u>315</u>	<u>645</u>	<u>960</u>
<b>For the year ended 31 March 2024</b>	<u>301</u>	<u>659</u>		<u>960</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

4

<b>Charitable activities</b>	<b>Children &amp; Family £'000</b>	<b>Adult &amp; Older People £'000</b>	<b>Carers Services £'000</b>	<b>Training Income £'000</b>	<b>Other Income £'000</b>	<b>Total 2025 £'000</b>	<b>Total 2024 £'000</b>
<b>For the year ended 31 March 2025</b>							
Board charges and free personal care	6,713	8,125	-	-	-	14,838	14,210
Revenue grants	61	948	762	-	-	1,771	997
Support	-	3,729	-	-	-	3,729	3,347
Training income	-	165	-	151	-	316	268
Other income	6	78	-	15	33	132	168
	<u>6,780</u>	<u>13,045</u>	<u>762</u>	<u>166</u>	<u>33</u>	<u>20,786</u>	<u>18,990</u>
<b>Analysis by fund</b>							
Unrestricted funds	6,719	12,097	-	166	33	19,015	
Restricted funds	61	948	762	-	-	1,771	
	<u>6,780</u>	<u>13,045</u>	<u>762</u>	<u>166</u>	<u>33</u>	<u>20,786</u>	
<b>For the year ended 31 March 2024</b>							
Unrestricted funds	6,174	11,616	-	138	65		17,993
Restricted funds	59	938	-	-	-		997
	<u>6,233</u>	<u>12,554</u>	<u>-</u>	<u>138</u>	<u>65</u>		<u>18,990</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**4 Charitable activities (Continued)**

	Children & Family	Adult & Older People	Carers Services	Training Income	Other Income	Total 2024	Total 2023
For the year ended 31 March 2024	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Board charges and free personal care	6,160	8,050	-	-	-	14,210	12,905
Revenue grants	59	938	-	-	-	997	1,131
Support	-	3,347	-	-	-	3,347	3,358
Training income	7	148	-	113	-	268	309
Other income	7	71	-	25	65	168	719
	<u>6,233</u>	<u>12,554</u>	<u>-</u>	<u>138</u>	<u>65</u>	<u>18,990</u>	<u>18,422</u>
<b>Analysis by fund</b>							
Unrestricted funds	6,174	11,616	-	138	65	17,993	
Restricted funds	59	938	-	-	-	997	
	<u>6,233</u>	<u>12,554</u>	<u>-</u>	<u>138</u>	<u>65</u>	<u>18,990</u>	
For the year ended 31 March 2023							
Unrestricted funds	5,651	11,424	-	200	16		17,291
Restricted funds	67	1,063	-	1	-		1,131
	<u>5,718</u>	<u>12,487</u>	<u>-</u>	<u>201</u>	<u>16</u>		<u>18,422</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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	<b>2025</b> <b>(£'000)</b>	<b>2024</b> <b>(£'000)</b>
<b>5</b>	<b>Other trading activities</b>	
	Fundraising events	127
	Fundraising bookshop	22
	Other trading activities	26
	<u><b>175</b></u>	<u><b>184</b></u>

All other trading activities were recorded in unrestricted funds in 2025 and 2024.

	<b>2025</b> <b>(£'000)</b>	<b>2024</b> <b>(£'000)</b>
<b>6</b>	<b>Investments</b>	
	Income from listed investments	88
	Interest receivable	61
	<u><b>142</b></u>	<u><b>149</b></u>

	<b>2025</b> <b>(£'000)</b>	<b>2024</b> <b>(£'000)</b>
<b>7</b>	<b>Raising funds</b>	
	<u>Fundraising and publicity</u>	307
	Other fundraising costs	293
	<u>Trading costs</u>	4
	Operating charity shops	4
	<u>Investment management</u>	18
	<u><b>329</b></u>	<u><b>314</b></u>

Expenditure on raising funds in the year amounted to £329,000 (2024: £314,000), all of which related to unrestricted funds.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**8 Charitable activities**

	Children & Family £'000	Adult & Older People £'000	Carers Services £'000	Training Income £'000	Other Income £'000	Total 2025 £'000	Total 2024 £'000
<b>For the year ended 31 March 2025</b>							
Staff costs	4,284	9,384	495	442	-	14,605	13,037
Property costs	431	1,981	3	-	188	2,603	3,069
Supplies & services	250	918	106	-	20	1,294	917
	<u>4,965</u>	<u>12,283</u>	<u>604</u>	<u>442</u>	<u>208</u>	<u>18,502</u>	<u>17,023</u>
Share of support costs (see note 9)	1,353	2,871	126	16	903	5,269	4,644
Share of governance costs (see note 9)	-	-	-	-	337	337	331
	<u><u>6,318</u></u>	<u><u>15,154</u></u>	<u><u>730</u></u>	<u><u>458</u></u>	<u><u>1,448</u></u>	<u><u>24,108</u></u>	<u><u>21,998</u></u>
<b>Analysis by fund</b>							
Unrestricted funds	6,204	13,564	(30)	458	1,434	21,630	
Restricted funds	114	1,590	760	-	14	2,478	
	<u><u>6,318</u></u>	<u><u>15,154</u></u>	<u><u>730</u></u>	<u><u>458</u></u>	<u><u>1,448</u></u>	<u><u>24,108</u></u>	
<b>For the year ended 31 March 2024</b>							
Unrestricted funds	5,987	12,312	-	434	1,390		20,123
Restricted funds	120	1,754	-	-	1		1,875
	<u><u>6,107</u></u>	<u><u>14,066</u></u>	<u><u>-</u></u>	<u><u>434</u></u>	<u><u>1,391</u></u>		<u><u>21,998</u></u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Children & Family	Adult & Older People	Carers Services	Training Income	Other Income	Total 2024	Total 2023
For the year ended 31 March 2024	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	4,003	8,615	-	419	-	13,037	12,427
Property costs	528	2,290	-	-	251	3,069	2,729
Supplies & services	236	650	-	-	31	917	1,561
	<u>4,767</u>	<u>11,555</u>	<u>-</u>	<u>419</u>	<u>282</u>	<u>17,023</u>	<u>16,717</u>
Share of support costs (see note 9)	1,340	2,511	-	15	778	4,644	4,848
Share of governance costs (see note 9)	-	-	-	-	331	331	307
	<u>6,107</u>	<u>14,066</u>	<u>-</u>	<u>434</u>	<u>1,391</u>	<u>21,998</u>	<u>21,872</u>
<b>Analysis by fund</b>							
Unrestricted funds	<b>5,987</b>	12,312	-	434	1,390	20,123	
Restricted funds	120	1,754	-	-	1	1,875	
	<u>6,107</u>	<u>14,066</u>	<u>-</u>	<u>434</u>	<u>1,391</u>	<u>21,998</u>	
For the year ended 31 March 2023							
Unrestricted funds	5,464	11,217	-	420	1,792		18,893
Restricted funds	235	2,719	-	-	25		2,979
	<u>5,699</u>	<u>13,936</u>	<u>-</u>	<u>420</u>	<u>1,817</u>		<u>21,872</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

9	Support costs	Support costs £'000	Governance costs £'000	Total 2025 £'000	Total 2024 £'000
	Staff costs	-	197	197	280
	Management	1,831	-	1,831	1,584
	Finance & ICT	1,090	-	1,090	943
	HR	610	-	610	528
	General	567	-	567	490
	Property	262	-	262	226
	Depreciation/ Amortisation	858	-	858	873
	Loss on Sale of Assets	51	-	51	-
	Audit fees	-	29	29	22
	Consultancy	-	111	111	29
		<u>5,269</u>	<u>337</u>	<u>5,606</u>	<u>4,975</u>
	Analysed between				
	Charitable activities	<u>5,269</u>	<u>337</u>	<u>5,606</u>	<u>4,975</u>

Support costs are directly attributed costs which have been charged to the operating cost centres, including governance.

The principal central administration and staffing costs including HR, Finance, H&S, Property, ICT, Key Management Personnel and Quality Assurance are calculated in full. This total cost is then recharged out to all performing locations as follows:-

- Principal Property Costs – recharge use of Principal Office and other owned buildings by estimated area and/or rateable value.
- Insurance – estimated by area/rateable value and by specific area of use
- Grounds & Property Maintenance – allocated by area by specific locations of use.
- Management Recharges – estimated as:-
  - 12.5% recharge on total costs to the City Mental Health St Aubin's Group
  - 10% recharge on all other locations on their respective total costs
  - Balance of recharge is absorbed through prime locations which have high levels of administration, such as Linn Moor, to the full extent of recovering the 100% of the principal costs and is at senior management discretion. This balancing recharge fluctuates on a year-by-year basis.

Governance costs include payments to the auditors and their associates of £28,800 (2024: £21,600) for audit fees and £nil (2024: £nil) for other financial services.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**10 Grants**

	Grants to Individuals £'000	Total 2025 £'000	Total 2024 £'000
District Nursing	1	1	-
Time to Live	100	100	-
Young Carers	1	1	-
Crisis Support	2	2	-
Fuel Fund	351	351	7
	<u>455</u>	<u>455</u>	<u>7</u>

The district nursing grant provides financial aid to retired registered nurses. Both 'time to live' and 'young carers' grants were provided to unpaid carers in Aberdeenshire. Crisis support grants were provided to those in Aberdeen in urgent financial need due to unforeseen circumstances out with their control. Fuel Fund grants were provided to those individuals and families on low income to assist with winter heating bills and heating efficiency systems.

**11 Trustees**

None of the Trustees (or any persons connected with them) were reimbursed any expenses or received any remuneration or benefits from the charity during the year.

The sum of £2,134 (2024: £2,033) was incurred during the year for the purchase of insurance to indemnify the against the consequences of any neglect or defaults.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**12 Employees**

**Number of employees**

The average monthly number of employees during the year was 520 (2024: 508)

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Employees by full time equivalent:		
Children & family services	135	126
Adult & older people	214	227
Carers services	12	-
Training	8	7
Other	51	52
	<u>420</u>	<u>412</u>
<b>Employment costs</b>		
Wages and salaries	14,971	13,548
Social security costs	1,253	1,090
Other pension costs	427	397
	<u>16,651</u>	<u>15,035</u>

During the year, the charity made redundancy payments totalling £65,092 (2024: £138,052).

The number of employees whose annual remuneration (including employer's national insurance contributions) was £60,000 or more were:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	4	3
£70,001 - £80,000	1	-
£80,001 - £90,000	-	2
£90,001 - £100,000	3	2
£100,001 - £110,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

Ten of the employees (2024: nine) are members of The Pension Trust and contributions amounting to £48,610 (2024: £48,653) were made to their pension scheme during the year.

The Chief Executive received Benefits in Kind during the year equivalent in value to £2,396 (2024: £1,934).

The key management personnel of the charity are defined as the Chief Executive & Company Secretary and the Senior Management Team as detailed in the Trustees' Report. The remuneration of key management personnel in the year amounted to £657,030 (2024: £617,463).

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**13 Net (losses)/gains on investments**

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Revaluation of investments	(64)	193
(Loss)/Gain on sale of investments	(16)	10
Net (losses)/gains on investments	<u>(80)</u>	<u>203</u>

**14 Intangible fixed assets**

	<b>Software</b> <b>£'000</b>
<b>Cost</b>	
At 1 April 2024	421
Additions - separately acquired	-
At 31 March 2025	<u>421</u>
<b>Amortisation and impairment</b>	
At 1 April 2024	395
Amortisation charged for the year	11
At 31 March 2025	<u>406</u>
<b>Carrying amount</b>	
At 31 March 2025	<u>15</u>
At 31 March 2024	<u>26</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

15 Tangible fixed assets

	Freehold land and buildings £'000	Assets under construction £'000	Fixtures and fittings £'000	Computers £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>						
At 1 April 2024	36,432	-	1,666	301	353	38,752
Additions	-	-	-	-	25	25
Disposals	(592)	-	-	-	(38)	(630)
Revaluation	-	-	-	-	-	-
At 31 March 2025	<u>35,840</u>	<u>-</u>	<u>1,666</u>	<u>301</u>	<u>340</u>	<u>38,147</u>
<b>Depreciation and impairment</b>						
At 1 April 2024	809	-	1,624	301	296	3,030
Depreciation charged in the year	805	-	14	-	28	847
Disposals	(20)	-	-	-	(38)	(58)
Revaluation	-	-	-	-	-	-
At 31 March 2025	<u>1,594</u>	<u>-</u>	<u>1,638</u>	<u>301</u>	<u>286</u>	<u>3,819</u>
<b>Carrying amount</b>						
At 31 March 2025	<u>34,246</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>54</u>	<u>34,328</u>
At 31 March 2024	<u>35,623</u>	<u>-</u>	<u>42</u>	<u>-</u>	<u>57</u>	<u>35,722</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**15 Tangible fixed assets (Continued)**

The freehold heritable properties were independently valued as at 31 March 2023. The properties have been valued using either the Depreciated Replacement Cost (DRC) or Fair Value methodology.

At 31 March 2025, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £13,495,474 (2024: £14,192,552).

During the year, indicators of potential impairment were identified in respect of one freehold property with a carrying value of £2.1 million at the reporting date. Due to estimation uncertainty, the amount of any impairment could not be measured reliably as at the reporting date and accordingly no impairment has been recognised.

At the year end the charity had committed to £nil (2024: £nil) of capital expenditure all in respect of land and buildings. See note 29.

**16 Fixed asset investments**

	<b>Listed investments</b>	<b>Cash in</b>	<b>Total</b>
	<b>£'000</b>	<b>portfolio</b>	<b>£'000</b>
		<b>£'000</b>	
<b>Cost or valuation</b>			
At 1 April 2024	3,014	63	3,077
Additions	576	-	576
Valuation changes	(64)	-	(64)
Net movement in cash held awaiting investment	-	2	2
Disposals	(612)	-	(612)
At 31 March 2025	<u>2,914</u>	<u>65</u>	<u>2,979</u>
<b>Carrying amount</b>			
At 31 March 2025	<u>2,914</u>	<u>65</u>	<u>2,979</u>
At 31 March 2024	<u>3,014</u>	<u>63</u>	<u>3,077</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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<b>17 Debtors</b>		<b>2025</b>	<b>2024</b>
		<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>			
Trade debtors		1,021	615
Other debtors		16	32
Prepayments and accrued income		927	1,002
		<u>1,964</u>	<u>1,649</u>
<b>18 Creditors: amounts falling due within one year</b>	<b>Notes</b>	<b>2025</b>	<b>2024</b>
		<b>£'000</b>	<b>£'000</b>
Trade creditors		429	412
Other taxation and social security		586	237
Deferred income	<b>20</b>	167	40
			4
Bank loans		-	-
Other creditors		38	65
Accruals		698	501
		<u>1,918</u>	<u>1,255</u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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<b>19 Financial instruments</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,037	647
Equity instruments measured at fair value through income and expenditure	<u>2,915</u>	<u>3,016</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>1,165</u>	<u>979</u>
<b>20 Deferred income</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Other deferred income	<u>167</u>	<u>40</u>
Deferred income is included in the financial statements as follows:		
Current liabilities	<u>167</u>	<u>40</u>

During the year £39,976 (2024: £24,614) of deferred income brought forward from the prior year was released to the Statement of Financial Activities. The remaining £nil (2024: £nil) is included in deferred income at the year end in addition to £166,834 (2024: £39,976) of income received in the year which has also been deferred.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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**21 Heritable property**

The company owned, at 31 March 2025, the following subjects in Aberdeen, unless otherwise stated:

The freehold heritable properties and land were independently valued as at 31 March 2023 by Graham & Sibbald, Chartered Surveyors, in accordance with RICS appraisal and valuation methodology.

Name/Description	Location	Main Use
Head Office	Castle Street	Main registered Office & Book Shop
Cloverfield Grove	Bucksburn	Housing with Care for Older People
Broomhill Park	Broomhill Road	Housing with Care for Older People
Ruthrieston House	Broomhill Road	Residential Care for Older People
Crosby House	May Baird Avenue	Residential Care Older People
Forestgait Lodge/ Richmondhill Court	Richmond Place	Sheltered Housing / Residential Flats
Broomhill Activity Centre	Broomhill Road	Activity Centre
Linn Moor School	Peterculter	Residential School
Rowanlea House	Peterculter	Transition to Adult Supported Housing
Rowanlea Cottage	Peterculter	Transition to Adult Supported Housing
Apache Cottage	Peterculter	Residential for Linn Moor School
Arrdeir House	Mannofield	Residential Care for Adults
St Aubins	South Anderson Drive	Residential Care for Adults
Northfield Lodge	Provost Fraser Drive	Residential Care for Adults
Abergeldie House	450 Holburn Street	Residential Care for Adults
Queen Mother House	18 Claremount Place	Residential Care for Adults
Easter Anguston	Peterculter	Supported Adult Training
Farm Land Buildings	Peterculter	Supported Adult Training
Crichton House	Peterculter	Visitor Café
40 Crown Crescent	Peterculter	Adult Housing with Support
40 Crown Crescent	Peterculter	Adult Housing with Support
1-4 Craigton Grove	Peterculter	Adult Housing with Support

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**22 Restricted funds**

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

<b>Movement in funds</b>					
	<b>Balance at 1 April 2024 £'000</b>	<b>Incoming resources £'000</b>	<b>Resources expended £'000</b>	<b>Transfers £'000</b>	<b>Balance at 31 March 2025 £'000</b>
Residents Amenities Fund	-	7	(6)	-	1
AG Bain Tr-Shower & Bath Con NL	-	50	(37)	-	13
Restr Trust:Cromb CL Baths	2	-	-	-	2
Aberdeen District Nurses Benevolent Fund	16	-	(1)	-	15
Aberdeen Student Show-LM	-	2	(2)	-	-
Crisis Fund	43	2	(2)	-	43
Fuel Fund	447	3	(407)	-	43
Care&Home - Community Drop	-	1	(1)	-	-
Barrack Trust	8	-	(8)	-	-
Climb the Classroom LM	-	4	-	-	4
Christmas Funds	-	1	(1)	-	-
Crerar Trust NL Bath&Shower	-	20	-	-	20
Foundation Scotland Windows NFL	-	10	(10)	-	-
John Shivas Trust LM	35	34	-	-	69
John Gordon Charitable Fund	-	20	-	-	20
Grant Funding	-	1,778	(1,778)	-	-
Hugh Fraser Foundation NL	-	20	(20)	-	-
D Simpson Fund	95	7	(55)	-	47
H McDonald Fund	11	-	(5)	-	6
Carers Trust-Travel Support	-	-	-	-	-
Ithaca Multiplay & Sensory Garden	-	35	(35)	-	-
Ithaca-Dementia Works Crosby	-	45	(2)	-	43
Ithaca Energy Fund QMH Refurbs	8	6	(14)	-	-
Rest Trust Adamson – OPS	-	-	-	-	-
Legacy-M Duncan-OPS	-	1	(1)	-	-
P C Martin Fund	52	2	(54)	-	-
Restricted Donations	-	26	(26)	-	-
Communities MH&W Fund	-	4	-	-	4
Ina Scott Sutherland NL Refurb	-	8	(8)	-	-
Ina Scott Sutherland BAC Floor	5	-	(5)	-	-
	722	2,086	(2,478)	-	330

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**22 Restricted funds (Continued)**

	Movement in funds				Balance at 31 March 2024 £'000
	Balance at 1 April 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	
Residents Amenities Fund	-	7	(7)	-	-
Grant Funding	-	997	(942)	(55)	-
Restricted Trust Funds	8	6	(12)	-	2
Aberdeen District Nurses Benevolent Fund	17	-	(1)	-	16
Crisis Fund	41	2	-	-	43
Fuel Fund	127	430	(110)	-	447
ACVO Funds	-	1	(1)	-	-
Barrack Trust	-	10	(2)	-	8
Boshier-Hilton Foundation	-	1	(1)	-	-
Christmas Funds	-	2	(2)	-	-
Mains of Loriston Charitable trust	-	16	(16)	-	-
John Shivas Trust	-	35	-	-	35
John Gordon Charitable Fund	-	20	(20)	-	-
M Duncan Fund	207	-	(207)	-	-
C&R Hutchison Fund	-	1	(1)	-	-
D Simpson Fund	-	95	-	-	95
H McDonald Fund	59	-	(48)	-	11
A Cheyne Fund	-	6	(6)	-	-
Ithaca Energy Fund	58	13	(63)	-	8
Restricted Donations	-	1	(1)	-	-
A & D Emslie Fund	287	-	(287)	-	-
P C Martin Fund	149	-	(97)	-	52
CNOOC International Fund	18	-	(18)	-	-
Communities MH&W Fund- All	11	-	(11)	-	-
Workforce Wellbeing Fund	14	-	(14)	-	-
Ina Scott Sutherland Foundation	-	10	(5)	-	5
Nineveh Trust	-	3	(3)	-	-
	996	1,656	(1,875)	(55)	722

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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Fund Descriptions:

- Residents Amenities Fund – to fund outings, entertainment, and small gifts for residents
- Aberdeen Student Show - to fund Play Equipment at Linn Moor School
- AG Bain Trust - to fund Shower and Bath Conversions at Northfield Lodge
- Aberdeen District Nurses Benevolent Fund – to provide financial and material aid to retired registered nurses
- Crisis Fund – to assist to those in urgent financial need due to unforeseen circumstances out with their control
- Fuel Fund – to assist with winter heating bills and heating efficiency systems
- Care at Home department - raising funds for a Community Drop in Centre
- Barrack Charitable Trust - to fund expenditure towards the refurbishment of Queen Mother House
- Climb the Classroom Challenge undertaken by Linn Moor - to fund a Sensory Classroom
- Christmas Funds – to cover parties and gifts to service users over the festive period
- Crerar Trust - to fund Bath & Shower Conversions at Northfield Lodge
- John Shivas Memorial Trust – for expenditure at Linn Moor residential school
- The John Gordon Charitable Fund – to fund expenditure towards a Development Worker post to support Older Peoples Services
- M Duncan Fund – for expenditure at Older People’s Services
- Foundation Scotland – to fund new Windows at Northfield Lodge
- D Simpson Fund - for expenditure at Easter Anguston Farm
- H McDonald Fund - for expenditure at Linn Moor residential school
- Hugh Fraser Foundation- to fund Bath and Shower Conversions at Northfield Lodge
- Ithaca Energy – to fund expenditure towards the refurbishment of Queen Mother House
- Ithaca Energy - to fund Dementia Works at Crosby
- Ithaca Energy - to fund a Multiplay & Sensory Garden at Linn Moor
- Adamson Trust – to fund a holiday for children at Linn Moor school

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED 31 MARCH 2025**

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- George Crombie – to fund new baths at Cloverfield
- P C Martin - for expenditure at Easter Anguston Farm
- Communities Mental Health & Wellbeing Fund - for expenditure at Care @ Home service
- Ina Scott Sutherland Foundation - for expenditure towards Queen Mother House refurbishments and Broomhill Activity Centre flooring
- Restricted Donations – to fund a specific service at a specific location as nominated by the donor
- Grant Funding – to cover the costs of meeting contract specifications on running and providing services

**23 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	<b>Balance at 1 April 2024 £'000</b>	<b>Incoming resources £'000</b>	<b>Resources expended £'000</b>	<b>Transfers</b>	<b>Balance at 31 March 2025 £'000</b>
QMH Refurbishments	100	-	(88)	0	12
	<hr/> 100	<hr/> -	<hr/> (88)	<hr/> 0	<hr/> 12

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

**24 Revaluation reserve**

Movement in the revaluation reserve, which is included in unrestricted funds, during the year was as follows:

	<b>Balance at 1 April 2023 £'000</b>	<b>Movement in funds Revaluation £'000</b>	<b>Release to Unrestricted Funds £'000</b>	<b>Balance at 31 March 2024 £'000</b>
Revaluation reserve	<u>24,358</u>	-	<u>(62)</u>	<u>24,296</u>

	<b>Balance at 1 April 2024 £'000</b>	<b>Movement in funds Revaluation £'000</b>	<b>Release to Unrestricted Funds £'000</b>	<b>Balance at 31 March 2025 £'000</b>
Revaluation reserve	<u>24,296</u>	-	<u>(2,594)</u>	<u>21,702</u>

The movement in funds in 2025 includes £2,179k removed from the revaluation reserve due to Properties sold to date previously not adjusted for in the revaluation reserve.

**25 Analysis of net assets between funds**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total £'000</b>
Fund balances at 31 March 2025 are represented by:			
Intangible fixed assets	15	-	15
Tangible assets	34,328	-	34,328
Investments	2,979	-	2,979
Net current assets	<u>508</u>	<u>330</u>	<u>838</u>
	<u><u>37,830</u></u>	<u><u>330</u></u>	<u><u>38,160</u></u>

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**26 Cash (absorbed) by operations**

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Net outgoing resources for the year	(2,769)	(1,826)
Adjustments for:		
Investment income recognised in statement of financial activities	(142)	(149)
Loss/(Gain) on disposal of investments	16	(10)
Fair value losses/(gains) on investments	62	(193)
Amortisation and impairment of intangible assets	11	11
Depreciation and impairment of tangible fixed assets	847	862
Loss on disposal of tangible fixed assets	51	-
Movements in working capital:		
Decrease in stocks	-	-
(Increase)/decrease in debtors	(315)	290
Increase/(decrease) in creditors	535	(252)
Increase in deferred income	127	15
<b>Cash (absorbed) by operations</b>	<u><u>(1,577)</u></u>	<u><u>(1,252)</u></u>

**Net debt reconciliation**

	<b>At 1 April</b>		<b>Non-cash</b>	<b>At 31</b>
	<b>2024</b>	<b>Cash flows</b>	<b>movements</b>	<b>March 2025</b>
Cash and cash equivalents	1,710	(918)	-	792
Debt: amounts falling due within 1 year	-	-	-	
Debt: amounts falling due after 1 year	-	-	-	
<b>Total net debt</b>	<u>1,710</u>	<u>(918)</u>	<u>-</u>	<u>792</u>

**27 Pension costs**

During the year, the charity contributed to three pension schemes for certain employees. The details of these schemes are shown below:

a) The Pensions Trust

The charity participates in the Pensions Trust's Flexible Retirement Plan and Ethical Plan. Both plans are non-contracted out defined contribution schemes which are not affected by the debt on withdrawal legislation. The charity offers membership of the Flexible Retirement Plan or membership of the Ethical Plan to all managerial staff.

There were 32 active members of the Flexible Retirement Plan at 31 March 2025 (2024: 33). There were 4 active members of the Ethical Plan at 31 March 2025 (2024: 5).

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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The charity paid contributions at a rate of 7.25% during the accounting year. Members paid contributions at the rate of 4% during the accounting year.

A charge of £109,047 (2024: £115,407) has been made in the year. Employer contributions totalling £9,800 (2024: £8,483) were payable to the pension fund at 31 March 2025 and are included in creditors.

b) Scottish Teachers Superannuation Scheme

The scheme is an unfunded multi-employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the charity is unable to identify its share of the underlying assets and liabilities of the scheme. As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates are set by the scheme actuary at a level to meet the cost of the pensions as they accrue.

A revised Scottish Teachers' Pension Scheme (STPS) was introduced from 1st April 2015, which meets the requirements of the UK Government's reform program. For the purposes of the reform process, HM Treasury set a benchmark scheme for the STPS which was based upon the new 2015 Teachers' Pension Scheme for England and Wales. Therefore, by definition, the new Scottish Teachers' Pension Scheme design meets the cost envelope set by HM Treasury without requiring any further detailed actuarial analysis.

There were 6 active members of the scheme as at 31 March 2025 (2024: 4). Contributions rates were payable by the charity at 26% (2024: 23%) of pensionable salaries. Members also contributed on salary based sliding scale percentage as follows:

<b>Actual Pensionable Salary</b>	<b>Contributions for 2024/25 (% of pensionable Salary)</b>
Up to and including £34,286	7.35%
£34,287 to £46,155	8.88%
£46,156 to £54,728	9.90%
£54,729 to £67,975	10.61%
£67,976 to £92,693	11.73%
£92,694 and above	12.14%

The total STSS pension costs for the charity were £73,586 (2024: £56,147) and these contributions were made to their pension scheme during the year.

Employer contributions totalling £6,061 (2024: £3,302) were payable to the pension fund at 31 March 2025 and are included in creditors.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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c) National Employment Savings Trust

The charity joined the National Employment Savings Trust (NEST) on 1 November 2013. This pension scheme was chosen to comply with automatic enrolment legislation.

NEST is run by NEST Corporation, a trustee body who set the strategic direction and objectives for NEST. NEST Corporation is a non-departmental public body that operates at arm's length from the government and is accountable to Parliament through the Department for Work and Pensions.

All staff below managerial level are automatically enrolled into this scheme. There were 382 active members of NEST at 31 March 2025 (2024: 387).

The charity paid contributions at a rate of 3% and members paid contributions at a rate of 5.0% respectively during the accounting year.

A charge of £262,530 (2024: £241,742) has been made in the year. Employer contributions totalling £21,857 (2024: £20,638) were payable to the pension fund at 31 March 2025 and are included in creditors.

**28 Operating lease commitments**

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Within one year	29	34
Between one and five years	10	22
	<u>39</u>	<u>56</u>

Lease commitments are for buildings, vehicles, and equipment. The lease expenditure charged to income and expenditure in the year was £59,000 (2024: £59,000).

**29 Related party transactions**

There are no related party transactions to disclose.

**30 Contingent assets**

The charity is party to a legal matter that may result in an inflow of economic benefits. In accordance with the confidentiality provisions governing the matter, the charity is unable to provide further information regarding its nature or the potential financial effect. Any income arising will be recognised if and when the charity's entitlement is established.

**ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025**

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**31 Members' liability**

Members' liability is limited by guarantee not in excess of £1 per member.

**32 Investments**

Our overall portfolio value decreased during the year to £2,979k (2024: £3,077k).