

sportscotland **Group**

**Annual Report and Accounts
for the year ended 31st March 2019**

**Statement of Account prepared pursuant to Article 15
of the Royal Charter for the Scottish Sports Council**

**Laid before the Scottish Parliament
By the Scottish Ministers
November 2019**

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sportscotland
Annual Accounts 2018-19

Annual Report & Accounts

sportscotland

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Minister's Foreword

I am delighted to be providing the foreword for the annual report of the fourth and final year of **sportscotland's** 2015-2019 corporate plan, Raising The Bar. This provides an important opportunity to reflect on the considerable achievements **sportscotland** have accomplished both this year and across the four years of the plan.

In 2018 I launched the Active Scotland Delivery Plan, setting out how the Scottish Government and our partners will work together to encourage and support people in Scotland to be more active, more often. I am impressed by the way **sportscotland** leads the sporting system to contribute to the Active Scotland outcomes, as well as the support and expertise they provide to improve opportunities and access to sport.

This year has provided yet another increase in Active Schools participation and the report highlights the army of volunteers who play a vital part in its success. This programme continues to have an important role in getting young people active.

Once again, the report demonstrates the importance of partnership working to achieve outcomes across the sporting system. In places like Fairfield in Dundee and Whitacres in Glasgow, I've seen first-hand the great work that is carried out by staff and volunteers at community sport hubs to provide more and better opportunities for people to participate in sport and physical activity. The continued support **sportscotland** has provided to local clubs and key partners has enabled the further growth of community sport hubs this year.

In addition, I have been impressed with **sportscotland's** leadership in the Changing Lives through Sport and Physical Activity agenda and the development of partnerships outside the sporting sector. A visit to a physical activity project in Stirling that supports people affected by alcohol and substance use was particularly powerful in demonstrating the potential of sport and physical activity to intentionally contribute to wider social outcomes.

I was delighted that **sportscotland** took a leading role in the Year of Young People 2018. I was energised by the young people I met at **sportscotland's** Lead the Way event in November and their commitment to influencing and leading sport in their communities. The Young Ambassadors programme and the Young People's Sport Panel continue to grow and develop, with a fourth cohort recruited to the panel this year.

sportscotland's commitment and support to partners has made a real difference to the availability and accessibility of sports facilities. I'm pleased that when awarding facilities funding, **sportscotland** are now prioritising projects that provide opportunities for those under-represented in sport, or that serve our most deprived communities.

Best-ever performances at the Gold Coast 2018 Commonwealth Games and the successful Glasgow 2018 European Championships meant that it was a very enjoyable year to support Scottish athletes and teams! These results are only possible because of the dedication of the athletes, their coaches and the **sportscotland** institute of sport experts who support them.

I am encouraged that **sportscotland** are continuing to improve the data that they and partners gather. This will evidence the importance of **sportscotland's** work and will

continue to help us consider how we might do things differently to better target the inactive and deliver on the commitment to inclusion underpinning everything we do.

Lastly, **sportscotland** undertook a wide consultation on the review and development of their new corporate strategy, Sport For Life. I am pleased with the result and the clear alignment of this strategy to the Active Scotland Outcomes Framework. I look forward to working with them to help deliver an active Scotland where everyone benefits from sport.

Joe FitzPatrick,
Minister for Public Health, Sport and Wellbeing

REPORT TO THE COUNCIL

Statement of Account Prepared Pursuant to Article 15 of the Royal Charter for the Scottish Sports Council

Foreword

The Scottish Sports Council (trading as **sportscotland**) was established by Royal Charter in 1972 for the purposes, inter alia, "of fostering the knowledge and practice of sport and physical recreation among the public at large and the provision of facilities therefore". On July 1 1999 the Scottish Sports Council adopted the trading name of **sportscotland**. It is financed mainly by annual grant-in-aid borne on the vote of the Scottish Government Population Health Directorate and from income generated by its own activities.

The statutory authority for payment of grant-in-aid is Section 3 of the Physical Training and Recreation Act 1937.

Format of Accounts

These accounts have been prepared in accordance with the accounts direction issued by Scottish Ministers, a copy of which is appended to the end of the accounts.

Additional Sources of Funding

Lottery Sports Fund

Under the *National Lottery etc. Act 1993*, **sportscotland** was appointed to distribute Lottery funds for expenditure on, or connected with sport in Scotland, in accordance with the powers set out in its Royal Charter.

All distributing bodies must prepare a separate statement of accounts relating to the National Lottery distribution activities. The financial statements of the **sportscotland** National Lottery Distribution Fund are available from Doges, Templeton on the Green, 62 Templeton Street, Glasgow, G40 1DA once they have been laid before the Westminster and the Scottish Parliaments.

Subsidiaries

The Scottish Sports Council Trust Company

The Scottish Sports Council Trust Company ("the Trust Company") is constituted as a company limited by guarantee under Companies Act legislation and has been recognised by the Inland Revenue as having Charitable Status and, as such, is exempt from Corporation Tax. The Trust Company's accounts are consolidated into the **sportscotland** Group accounts.

sportscotland is a guarantor of the **sportscotland** Trust Company (the Trust Company) which was incorporated as a charitable trust company to administer the activities of its National Centres in order to receive grants from the Foundation for Sport and the Arts and other charitable trusts. The liability as guarantor is limited to £1.

The main objectives of the Trust Company are:

- The preservation and safeguarding of the physical and mental health of the community through physical recreation (including sports) and education in relation thereto; and
- The provision, in the interests of social welfare and for the purposes of improving the conditions of life for the person for whom the same are primarily intended, of facilities for physical recreation (including sports) which shall be available to members of the public at large, including special facilities for persons who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances may have need of special facilities.

In order to achieve these aims the Trust Company operates the National Sports Centres at Glenmore Lodge, near Aviemore, Inverclyde, at Largs and Great Cumbrae at which courses of instruction and sporting facilities are provided. Further information on the courses and facilities provided can be obtained from the **sportscotland** website (www.sportscotland.org.uk).

THE PERFORMANCE REPORT

Overview

Chief Executive's Report

In 2015, we launched our four-year corporate plan, Raising The Bar, which set out the direction we wanted to build a world class sporting system in Scotland. The progress we have made is a source of great pride and this annual report gives us an opportunity to reflect not only on our achievements in the past 12 months but across the past four years.

Throughout 2018 and 2019, we continued to work on a new corporate strategy that is built around our vision of an active Scotland where everyone benefits from sport. The success of the strategy relies on 'making an impact together', and the importance of effective partnerships is a theme that runs right through this year's summary of progress.

In school sport, our collaboration with all 32 local authorities and leisure trusts resulted in another record-breaking year for Active Schools. The number of activity sessions increased by 6% on the previous academic year, with 88% of these opportunities delivered by volunteers. We are also proud that 542 schools received the School Sports Award in 2017-18. This means that 54% of all schools in Scotland, including more than 80% of secondary schools and nearly a quarter of additional support needs schools, have seen that sport is vital in giving young people the best possible start in life.

Thanks to The National Lottery players, £30 million is invested in good causes across the UK each week, and we distribute National Lottery funding to projects that strengthen our communities and the lives of those who live in them. This includes support to our club network. There are now 197 community sport hubs and our aim is to reach 200 by 2020. We also launched the £1 million Changing Lives through Sport and Physical Activity fund with the Robertson Trust, Spirit of 2012 and the Scottish Government.

Each of these programmes is already changing lives in neighbourhoods across the country – all thanks to effective partnerships and to our continued commitment to people. Coaches and volunteers are a vital asset to the system across all of our environments, and we are always looking for new collaborations that support the thousands of talented people who make sport happen.

The time, expertise, investment and information we provide each year to the Scottish Governing Bodies of sport (SGBs) results in tangible benefits right across the system. One of the highlights of the year was Team Scotland's exceptional performance at the Gold Coast 2018 Commonwealth Games. Our athletes brought home 44 medals – a record for an away Games.

This followed investment in 26 sports and specialist support provided to more than 650 athletes by the **sportscotland** institute of sport.

In Scotland we have an exceptional natural environment, a ready-made outdoor playground for sport. This is complemented by a stunning range of world class facilities. We provided Dundee City Council with £6.5 million towards the city's ambitious new Regional Performance Centre and £5 million to the City of Edinburgh Council towards the new Meadowbank Sports Centre.

Our commitment to inclusion underpins everything we do. We developed our partnership with the Scottish Association for Mental Health (SAMH) and other organisations in the third sector that are helping us to change, enrich and improve lives through sport. We extended our Active Schools monitoring to collect more equalities data, the result of years of collaborative working with our local partners.

In 2018, the Scottish Government's Year of Young People, we recruited a new cohort of the Young People's Sport Panel, while 641 secondary school pupils took up leadership opportunities through the Young Ambassadors programme. These are the sporting leaders of the future.

I firmly believe that Scotland's world class sporting system is stronger than the sum of its parts. I believe in the past four years, and indeed the past year, we have strengthened the foundations of the world class sporting system and it is now time to build on that success.

We will remain focused on making an impact together as we develop and strengthen our partnerships in the coming years.

Stewart Harris, Chief Executive Officer, **sportscotland**

Chair Overview

The best thing about being chair of **sportscotland** is you get to meet so many heroes.

And these are no ordinary heroes.

An integrated, world class sporting system enables people in all environments to perform deeds that may in isolation seem ordinary, but when laced together are extraordinary. **Playing Our Part** gives us the chance each year to introduce them to you.

We showcase the people who are everyday heroes and role models in their own communities, their own schools and the many other places where sport happens. We also profile people like Duncan Scott, Commonwealth and European swimming champion, who have progressed through the system to excel on the world stage. Sport has the power to change lives and all these stories have the power to inspire other people to consider what they could achieve.

This year I'd like to introduce you to Rebecca MacLean, a judo coach. She lives in Fort William but drives down the A9 every week to deliver judo sessions with groups of girls in deprived areas of Glasgow. She does this alongside her day job as a sport development officer in the Highlands.

Sports clubs are the lifeblood of many communities across the country. At Strathmore Rugby Club in Angus, they reach out beyond local boundaries to give disadvantaged people the chance

to participate in sport, by providing autism-friendly schools rugby sessions. These are wonderful opportunities and it's not only young people who benefit. Armchair athletics is changing the outlook of care home residents in Uist in the Western Isles. Our commitment to inclusion underpins everything we do.

Sport and physical activity can contribute to improvements in society in so many ways. Our new corporate strategy is built around the vision for an active Scotland where everyone benefits from sport. The case studies covered in the 2018-19 annual review reveal the breadth and diversity of the system that supports our mission.

Whether you encounter #PlayingOurPart2019 through social media, in print or via PDF, you will discover a rich tapestry of stories that illustrate the vital role played by people in every community in the country. You will also see that their experiences inter-connect, telling a wider story of an integrated system with shared values.

There is a theory that you should never meet your heroes because the experience will leave you disappointed. That was certainly not the case for the **sportscotland** Board members who enjoyed a recent presentation by the Young People's Sport Panel. It was truly refreshing to hear such insightful, mature and uplifting views from committed young people. Coming from the leaders of tomorrow, you couldn't fail to be optimistic that the future of sport in Scotland is in good hands.

Mel Young, Chair **sportscotland**

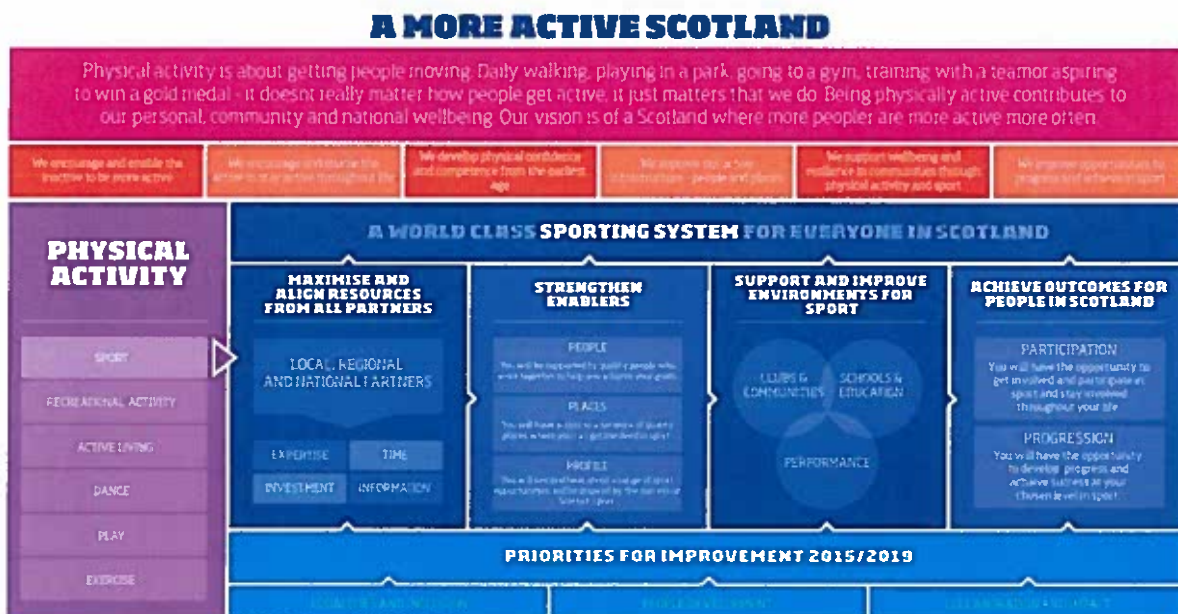
Purpose and activities of the organization

About us

sportscotland is the national agency for sport. We believe passionately that sport makes a positive and valuable contribution to personal, community and national wellbeing in Scotland. Our vision is a Scotland where sport is a way of life, where sport is at the heart of Scottish society and has a positive impact on people and communities.

The power of sport means it contributes to the five strategic objectives outlined in Scotland Performs, which unite all public organisations in Scotland: wealthier and fairer, smarter, healthier, safer and stronger, and greener. Within this context sport contributes directly to the Scottish Government’s vision of a Scotland where more people are more active more often, and the Active Scotland Outcomes Framework, as shown in Figure 1.

Figure 1: The World Class Sporting System and sport’s contribution to Active Scotland Outcomes Framework



We are a non-departmental public body, responsible through Scottish Ministers to the Scottish Parliament. We are also a National Lottery Fund distributor and we are governed by The National Lottery distribution rules. We invest Scottish Government and National Lottery resources to build a world class sporting system for everyone in Scotland. This report applies to the **sportscotland** group, which is **sportscotland** and the **sportscotland Trust Company**.

sportscotland has three directorates: sports development, high performance and corporate services. We deliver from bases across Scotland, including our headquarters in Glasgow, the **sportscotland** institute of sport in Stirling and our regional bases in Aberdeen, Dundee, Edinburgh, Inverness and Stirling. The **sportscotland** Trust Company operates three national centres; Glenmore Lodge, Cumbrae and Inverclyde.

About this report

Playing Our Part: summary of progress 2018-19 is **sportscotland**'s annual report. It covers the fourth and final year of the [2015-19 corporate plan: Raising The Bar](#). It allows us to determine what progress we have made towards achieving our impact measures.

Measuring impact is both a quantitative and qualitative process. Through contextual data and analysis, we aim to provide a comprehensive picture of the strength of Scotland's world class sporting system. Through storytelling we aim to bring the system to life through personal experiences.

Structure

System highlights

This section aims to summarise our work in 2018-19 across the sporting system and highlights how we:

Supported and improved environments for sport (Schools & Education; Clubs & Communities; Performance sport)

Strengthened enablers (People; Places; Profile)

Maximised and aligned resources from all partners (Partnerships; Our organisation)

Our progress

In this section we ask ourselves:

What progress have we made towards achieving our impact measures during the period 1 April 2018 to 31 March 2019?

Have we delivered on our impact measures over the last four years?

With quantitative and qualitative data, we measure our progress against our outcomes:

Participation

Progression

and our enablers:

People

Places

Profile

In this section we also document three case studies which bring the system to life in the form of individual experience.

Risk Management

The risks faced by sportscotland are reflected in the corporate risk register. The corporate risk register is reviewed by the sportscotland Board annually, and the Audit and Risk Committee every six months.

At the end of 2018-19 there were five significant risks, shown in Table 1.

Table 1: Significant risk as at the end of 2018-19

Risk	Mitigation
<p>Reduced political and financial support for sport adversely impacts sportscotland's ability to deliver its corporate plan</p>	<p>Continue to work with the Scottish Government and main political parties nationally to ensure value of sport is recognised (Preventative)</p> <p>Continue to ensure that National Lottery funding is profiled as appropriate (Preventative)</p> <p>Aligning our outcomes against the priorities outlined in the Scottish Government's strategic guidance. (Preventative)</p> <p>Portfolio evaluations include a focus on our contribution to the Scottish government's Active Scotland Outcomes Framework (P)</p> <p>Strategic Partnerships Manager appointed to enhance external stakeholder management. (Preventative/Remedial)</p> <p>Financial Resources Committee established and development of plans to secure other sources of funding. (P)</p> <p>Input made to 2018/19 Spending review to help secure Scottish Government resources for sport (Preventative)</p>
<p>Failure to deliver high priority and high profile projects (e.g. 200 community sport hubs, Active Schools, facilities, workforce development and performance sport) adversely affects the reputation of sportscotland.</p>	<p>Regular monitoring and reporting to Board and key stakeholders including both the National Lottery and Scottish Government (Preventative)</p> <p>Successful performance outcomes at Winter Olympic/Paralympic and Commonwealth Games (Preventative)</p> <p>Progress of key priority / high profile projects reported and managed through portfolio management groups to ensure delivery. (Preventative)</p> <p>Input to spending review to explicitly state the impact of further budget reductions. (Preventative)</p>

<p>Change in external policies or priorities by other organisations adversely affect ability to deliver sportscotland's Corporate Plan.</p>	<p>Continue regular dialogue with Government regarding the most appropriate policy for Scottish sport. (Preventative)</p> <p>Continue to gather evidence with partners regarding potential changes to allow appropriate responses to be developed. (Preventative)</p> <p>Strategic Partnerships Manager appointed to enhance external stakeholder management. (Preventative /Remedial)</p> <p>Input to spending review to explicitly state the impact of further budget reductions. (Preventative)</p>
<p>Reduced funding challenges local authorities' ability to deliver their plans / outcomes for sport, which may impact on sportscotland's ability to meet its outcomes.</p>	<p>Partnership managers will work strategically with local partners on their plans and resources for local sport including monitoring community planning activities at local level (Preventative)</p> <p>Partnership Managers now working with local authorities to produce fully integrated sports development plans.(Preventative)</p> <p>Research undertaken on local authority partners' expenditure in sport to understand impact of reduced funding in sport. (Preventative)</p>
<p>Significant adverse impact on current athlete funding and investment in sport more generally pending court case following claim against British Cycling and UK Sport</p>	<p>Monitor development of case taken out against British Cycling and UK Sport. (Remedial)</p> <p>Existing arrangements for awards to athletes were based on external advice including HMRC. (Preventative)</p> <p>Seek further external advice on sportscotland's current arrangements. (Preventative)</p>

Performance summary

Our 2015-19 corporate plan sets out our mission to build a world class sporting system for everyone in Scotland. World class expresses our aspiration and ambition to be the best we can be at all levels in sport. We drive this ambition by focusing on continuous improvement and developing systems and processes to measure progress as we develop and support the system.

We have put people and local communities at the heart of our thinking as we have evolved the sporting system. We work closely with our key partners to ensure we make the most of our available resources and maximise their impact.

We report on our annual performance by highlighting our work across the sporting system, with a focus on the 16 impact measures in our corporate plan. These impact measures describe our contribution to the outcomes and enablers in the sporting system.

This section provides a summary of our work across the world class sporting system, which is not covered by the impact measures:

- Supporting and improving environments for sport
- Strengthening enablers
- Maximising and aligning resources from all partners

The performance analysis section provides qualitative and quantitative indicators against the 16 impact measures, including trend analysis where this is possible.

System Highlights

Supporting and improving environments for sport

Schools and education

Our schools and education portfolio is about working with local and national partners to improve physical education, physical activity and sport opportunities for children and young people across Scotland.

We worked with partners to increase the number, range and quality of opportunities for school pupils to take part in sport through Active Schools. Activity sessions increased by 6%, from 368,074 in the 2016-17 academic year to 389,244 in the 2017-18 academic year. Pupils made 7.3 million visits to these sessions, up by over 6% from 6.8 million last year. Out of almost 23,000 people delivering activities, 88% were volunteers. The success of Active Schools is a result of strong local partnerships between Active School teams, school staff, sports development teams, SGB regional managers and local sports clubs.

Throughout the year, we have made good progress supporting Active Schools managers to develop approaches to gather equalities monitoring data for distinct participants. As of May

2018, this now includes gender, year group, disability, areas of deprivation¹, free school meals and looked after children and young people. We continue to support the Active Schools network to share best practice, use data to better understand the participant profile and enhance the activities on offer.

We continue to support local partners on a needs basis as they develop their thinking and plans around girl's specific delivery. This year we have supported Edinburgh, North Lanarkshire, East Ayrshire and North Ayrshire to deliver Fit for Girls Solutions workshops. The workshops were co-designed by the Young People's Sport Panel (YPSP).

To mark Scottish Women and Girls in Sport Week, Scottish Government announced an additional £300,000 funding to support projects that help women and girls take part in sport and physical activity. We are managing this fund and have made 15 awards between £10,000 and £30,000 to local and national partners.

In the 2017-18 academic year, 153 schools received the Gold School Sport Award. This is a 17% increase on 2016-17. Since the launch of the awards, 54% of all schools in Scotland have completed registration. This equates to 51% of primary schools, 81% of secondary schools and 23% of additional support needs schools.

Clubs and communities

Through our clubs and communities portfolio we provide leadership for clubs and community sport organisations, so they can support local people to participate and progress to their chosen level in sport. We also connect local and national partners to create effective pathways.

The Clubs and Communities framework² continues to provide a common reference point to clubs and community organisations to help build their capability and capacity and improve the sporting system. We continue to update our Help for Clubs website to be a toolkit to support club development at all levels.

Working with partners we have delivered 197 active community sport hubs against a target of 200 by 2020. 54% of active hubs are based in schools. Hubs continue to bring together sports clubs and local partners to develop and grow sport and physical activity in communities across Scotland. They focus on sustainable, community-led approaches. They engage with the local sporting and non-sporting infrastructures to meet the needs of local communities.

We provided over 60 community sport hub officers with networking and learning and development opportunities. This has helped them enhance activities on offer, develop local capability and leadership, and enhance consultation with local people. Our hub working group is made up of internal and external partners and continues to drive the programme.

¹ Scottish index of multiple deprivation 2016: <https://simd.scot/2016>

² <https://sportscotland.org.uk/clubs/clubs-and-communities-framework/>

Through GO LIVE! Get Active, we provided 92 hubs with awards of up to £5,000 to establish new sport or physical activity sessions. We prioritised projects that engaged people from our most disadvantaged communities. These projects continue to deliver sessions to engage the inactive in local communities.

We continue to work closely with clubs across Scotland to support direct club investment (DCI) business cases. Our investment prioritises projects that provide more and better opportunities for under-represented groups. This is focused on girls and young women, people with disabilities and people living in our most disadvantaged communities. We invested over £500,000 in 18 clubs, across 12 sports. This investment has leveraged an additional £456,000 from the clubs and £389,000 from other local partners.

We have taken a leadership role in the changing lives through sport and physical activity (CLTSPA) agenda. Working strategically with Robertson Trust, Spirit of 2012 and Scottish Government, we have made good progress delivering an agreed action plan. The advisory group continues to provide support and feedback to the direction and progress of the work.

We launched the CLTSPA Fund to provide grants to support the sporting and community sector to better address wider individual and community needs through sport and physical activity. We received almost 100 applications and made awards to 17 partner applications totalling £1m. We have commissioned external evaluation to deliver a learning and evaluation programme for the fund partners.

We also continued to grow and develop partnerships outside the sporting sector. This included organisations such as Scottish Association for Mental Health (SAMH), NHS Health Scotland and Sencot.

Performance sport

Our performance sport portfolio focuses on improving the quality of performance programmes in Scotland. We also target the best opportunities for success on the world stage.

This year our priority was to deliver a best-ever away performance at the 2018 Gold Coast Commonwealth Games. Over 35 sportscotland institute of sport staff provided support to all Scottish athletes across all 18 sports, making a significant contribution to a record medal haul.

Including Gold Coast, we achieved a series of best-ever performances on the world stage. Highlights include:

- The best-ever away games for Team Scotland with 44 medals from 50 medallists. This surpassed the 29 medals achieved in 2006 in Melbourne.
- Team Scotland have won 194 medals at the Commonwealth Games since 1998 and 97 of these were won at the last two games (Glasgow and Gold Coast).
- Record number of Scots selected onto UK Sport World Class Programmes.

- 48 Scots were selected onto Team GB at the European Championships. This represented 15% of the athletes selected. Team GB finished second on the medal table with 74 medals. 26 medals (35%) were won by Scottish athletes, through 23 medallists.
- The Scottish Women's National Football Team qualified for the Women's World Cup for the first time ever.

The continued success of Scottish athletes demonstrates the strength of the system we are building through world class supporting infrastructure, specialist services and expertise. We believe our performance leadership and management interventions, including Mission 2018 and Project Gold Coast, had a major impact in achieving these successful outcomes.

We developed a Para Initiative action plan to address four strategic priorities in Para sport: increase the quantity and quality of para athletes, develop a world class workforce, optimise resources and collaborate with partners to provide environments that attract and support the development of Para athletes. We invited SGBs and Scottish Disability Sport to the project group to support delivery of the plan.

We finalised the Para Education programme plan. This programme aims to increase the number of practitioners working with home-based Para athletes. It also aims to improve the skills and confidence of the Institute workforce when supporting Para athletes and coaches. We implemented a learning and system development programme for Para sport. We also developed the approach and system for information gathering and sharing for Para athletes.

We consulted both internally and externally on how our system could be enhanced. This included where new interventions might be required for continued success for the next performance cycle.

Strengthening enablers

People

People development is a key priority underpinning the sporting system. We focus on educating and developing coaches, developing young people as leaders, and providing leadership development opportunities for professional staff.

We reviewed our approach to coach education and accelerated our work to respond to the findings. We will work with the Coaching Network to redesign coaching qualifications. We will align these to the coach education framework.

In partnership with Children 1st, we developed our own training resource 'Child Wellbeing and Protection in Sport' (CWPS). This enhances current provision and reflects relevant changes in society. We also mapped our content against the National Framework for Child Protection Learning and Development in Scotland.

We partnered Open University to develop bespoke learning for coaches. We continued to develop our digital approach to learning and development with a suite of new online modules

for coaches. We also engaged with 18 SGBs and mapped CPD content onto our Effective Coaching Map. This allows us to better understand strengths and weaknesses in content and delivery methods.

In June 2018, we hosted over 300 delegates at the inaugural UK Coaching Conference at Oriam. In December 2018, we delivered the Coaching Officiating and Volunteering Awards at Glasgow City Chambers. Over 150 people attended to celebrate the 13 category winners.

2018 was the Scottish Government's Year of Young People. As part of our contribution we recruited a sports development intern. We provided a range of opportunities to further their own skills and knowledge. Highlights included planning and organising Lead the Way, our flagship leadership event for young people. They also represented sportscotland at the final Ministerial meeting about Year of Young People.

We recruited 19 young people for our fourth Young People's Sport Panel. The panel has identified four key priority work areas: mental health, disability, girls and young women, and access to sport.

Our Young Ambassador programme continues to attract 98% of all secondary schools in Scotland. Through this we provided leadership opportunities for 641 young people. The Young Ambassador conference delivery team is made up of 18 young people and 18 Active Schools coordinators. They helped deliver six Young Ambassador conferences across Scotland.

The SGB learning and development programme continues to deliver sessions to staff. This is based on needs identified through the SGB development audit, requests from SGBs and topical content. We also hosted several consultation events in partnership with Disclosure Scotland on changes to legislation for PVG and duty of care in respect to age.

Places

We are committed to ensuring that sports facilities are well planned, affordable, accessible and inclusive to people who want to get involved and stay involved in sport and physical activity. To help achieve this we offer our time, investment and expertise in the planning, design and operation of sports facilities.

We supported an increase in annual pitch capacity of over 21,000 playing hours. We did this through our response to 53 planning applications, of which 40 related to pitches and were decided this year. We also engaged with 14 plans or programmes from local authorities, influencing spatial policy to ensure we protect and promote the needs of sport. We continued to support local authorities and leisure trusts on their strategic approach to facilities. This ensures a more integrated approach to planning for sport.

We strive to enhance our facilities expertise to ensure we add value to Scottish sport. We published several guidance notes and a range of case studies³ to help clubs and community

³ <https://sportscotland.org.uk/facilities/design-guidance/>

groups develop places for sport. We continued to engage with key organisations in the sports construction industry and sport generally to ensure we remain close to new developments and any emerging themes or issues.

We managed the implementation of club and community facility projects funded from our updated Sport Facilities Fund (SFF), which we launched in April 2018. We invested £1,829,099 into 29 projects through the SFF, with a total investment by others of £7,887,372.

We approved an award of up to £6.5 million to Dundee City Council towards the Dundee Regional Performance Centre for Sport. This is currently under construction and due for completion in August 2019. We also approved in-principle an award of up to £5 million to the City of Edinburgh Council towards the New Meadowbank Sports Centre. Construction on this will start in 2019.

We continue to work closely with Tennis Scotland and the Lawn Tennis Association on the implementation of the Transforming Scottish Indoor Tennis Fund. We approved a capital investment of up to £7.5 million into the delivery of a network of indoor tennis centres across the country. The Lawn Tennis Association has matched this investment. Applicants submitted five expressions of interest this year, bringing the total to 27. We submitted ten of these to Stage 1, of which five have progressed to Stage 2.

We started a wider evaluation of the impact our support and investment in places has on sport and physical activity. This will focus on our investment through SFF and the Active Places Fund. It is due to be complete by July 2019.

Profile

Our communications approach is to explain the contribution of sport, to celebrate Scottish sport and to highlight the opportunities for all to get involved, progress and achieve across the sporting system. We do this through storytelling, strategic relationship management and multi-channel message distribution.

We profile every environment of the sporting system. We also profile the people and places that enable the nation to take part in sport. Our primary audience is those within the sporting system. This includes our local authority, leisure trust and SGB partners and the media.

We continued to use monthly communication themes to focus our proactive communications work. These ensure we profile key elements of the sporting system. Each month we launch our theme with a #sporthour discussion with the sporting network on Twitter. We identify appropriate co-hosts. This year, co-hosts and themes included:

- The Chief Medical Officer, Catherine Calderwood – Sport for health
- Broadcaster Rhona McLeod – Parental engagement
- Ex Scottish Women's Football Team Captain Gemma Fay – Role models
- Scottish Student Sport – Education
- Volunteer Scotland – Volunteering

- SAMH – Mental Health

We use the themes as a framework to create content for our social and digital channels, Sport First and traditional media. We also work closely with our partners, with the aim of aligning wider communications activity. This collaborative approach provides a more impactful and cohesive message of the value of sport and the sporting system.

In October our monthly communication theme was women and girl's participation. This coincided with Scottish Women and Girls in Sport Week and Active Girls Day. We shared role models from across the sporting system each day using #shecanshewill. Feedback showed increased engagement compared to 2017.

We worked with colleagues from the **sportscotland** institute of sport to highlight their expertise to our networks via Cutting Edge, a multi-discipline high performance blog.

We continue to use Sport First as one of our main channels to communicate proactively. Through this we publish between five and 10 new pieces of content each month.

We continue to focus our traditional media activity in local and regional press. We have achieved excellent coverage at grassroots level for School Sport Awards, Young Ambassadors and theme related articles amongst many others.

We were the headline sponsor for the first Via Sponsorship Conference in Scotland. This conference aimed to bring together sponsors, SGBs and athletes to explore the potential benefits of sponsorship.

We continue to benefit from our partnership with the BBC which includes at least two media training sessions per year for the communications team and communications colleagues in SGBs. Through the partnership we can deliver these sessions completely free of charge.

Maximising and aligning resources from all partners

Partnerships

A wide range of local, regional and national partners contribute their time, expertise, investment and information into Scotland's sporting system. We provide leadership to our partners who are critical to the success of the system. Our focus is to align our shared resources to deliver the best outcomes for people in Scotland.

We work with national partners, SGBs and local authorities and leisure trusts. We aim to work with our partners to:

- influence, develop and deliver their strategies
- contribute to agreed outcomes
- develop effective leadership and robust policies and processes.

We developed our approach to working with local partners. We carried out a series of strategic and operational meetings with all 32 local authorities and their associated leisure

trusts. These meetings focused on the strength of the relationships. We explored how we can add value to local sport and physical activity and how we can contribute to wider local outcomes to meet local needs. We then reviewed our partnership agreements, agreed shared outcomes and priorities, and aligned investment.

We held reviews with 41 SGBs to assess progress against their existing strategies. We also discussed their new strategies to agree outcomes, targets and support service requests linked to performance athletes.

We continued to provide support to SGBs to enhance their work on child protection and inclusion. All SGBs mapped across to the refreshed Standards for Child Wellbeing and Protection. Our aim is for all SGBs to be fully compliant with the new Standards by April 2020.

SGBs continue to progress through the levels of the Equality Standard for Sport. Two SGBs achieved Advanced Level and five are working towards it. We have provided support through LEAP Sport Scotland to 11 SGBs around transgender inclusion. This supports sports to develop their approach to transgender inclusion through policy, competition and events.

Our relationship and partnership with Commonwealth Games Scotland and SGBs saw the most successful away Games ever for Scotland at the Gold Coast. The partnerships in place ensured that the final preparations, travel and support to the athletes was as effective and consistent as possible.

Through our regional staffing infrastructure, we continued to connect national and local planning and delivery. Where possible we used data, evaluations and other evidence of impact to influence these activities. We used a series of regional network meetings to bring SGBs and local partners together to share ideas and enhance their knowledge of specific topics. Topics included barriers to women and girls' participation and connecting community sport hubs and clubs to areas of deprivation.

We worked alongside the Scottish Government to deliver a programme of Ministerial engagements. These showcased our grassroots work, the scale of our impact and provided effective media opportunities. We have played a key role in the new Active Scotland Development and Delivery Groups. We are also well represented in the Active Scotland Delivery Plan, highlighting the contribution that sport makes to the Active Scotland Outcomes Framework.

Our organisation

This portfolio drives core services that are critical to our operational delivery. It ensures we practice good governance and operate within legal frameworks applicable to public bodies. We encourage improvement through the use of intelligence and by investing in new systems and processes. Our aim is to be more efficient, smarter, and to remain trusted.

A major focus this year has been the review of our corporate strategy. We used the findings of our in-depth evaluations and environmental scanning to inform the strategy review process. We carried out extensive consultation across the sporting system. Over 1,500 people took part. We used the findings to inform the strategy. Our Board and the Minister for Public Health and Sport approved our new corporate strategy, Sport for Life, <https://www.sportforlife.org.uk/>, in the early part of 2019.

The new strategy provides a longer-term vision for the sporting system, which we hope other partners recognise and support. The main changes are:

- A closer connection to the Active Scotland Outcomes.
- Recognising the role other parts of the public sector play in promoting and supporting physical activity.
- Recognising the contribution sport makes to wider outcomes.

We progressed a review of our health and safety policies, and clarified roles and responsibilities. We also made progress with the new HR system and submitted the first Annual Procurement Report under the Procurement Reform (Scotland) Act 2014.

We have implemented procedures to support compliance with the General Data Protection Regulations (GDPR) introduced in May 2018. We provided an extensive staff training programme and are ensuring any breaches are dealt with appropriately. We secured the Cyber Essentials Plus accreditation for our ICT systems management and security for a second year. We continued to review all our cyber security arrangements throughout the year and reinforced these as required.

We created the 'speaking the same language' toolkit for staff and others to help when writing across a variety of **sportscotland** channels. The toolkit covers language, tone and writing style and also offers a glossary, ethics terminology, hashtags and handles, useful links and contacts and an acronym guide. The toolkit has received positive feedback from SGBs, the National Lottery family forum, other sports agencies and the Plain English Campaign.

We delivered a comprehensive Board member recruitment process to fill three vacancies on our Board. This included:

- identifying the areas where the Board required additional skills and knowledge.
- preparing person specifications and developing a recruitment strategy.
- activating an extensive publicity campaign alongside the Scottish Government's Public Appointments Unit.

We received a record number of applications. We encouraged unsuccessful applicants to consider other non-executive opportunities in the sporting system. This process will continue into next year as a way of enhancing the diversity and skills and knowledge available to the sporting system through non-executive Board appointments.

Going concern

The statement of financial position at 31 March 2019 shows net assets of £14million. Funding for 2019-20 has been approved by the Scottish Parliament and there is no reason to believe that future funding and budgetary approval will not be forthcoming. It has accordingly been considered appropriate to prepare these financial statements on a 'going concern' basis.

A handwritten signature in black ink, appearing to read 'Stewart Harris', written in a cursive style.

Stewart Harris

Chief Executive & Accountable Officer

28 August 2019

Performance analysis

Our progress

Participation and progression are the outcomes people in Scotland will notice as we work together to improve sport for them and their communities. People, places and profile are the enablers, which support and improve the environments for sport.

In this section we use impact measures and performance indicators to demonstrate the difference we are making to the outcomes and enablers. Where relevant, we have also outlined evidence from wider evaluations which provide in-depth analysis of the impact of our work across the broad areas of coaches and coaching, schools and clubs.

Outcomes

Participation

You will have the opportunity to get involved and participate in sport and stay involved throughout your life.

Case study | Josh Gabriel-Clarke | Strathmore Rugby Club

Josh Gabriel-Clarke was inspired to set up Scotland's first autism-friendly rugby sessions by his own son – and is now helping to bring a community together.

The community project coordinator developed the free weekly sessions through the Strathmore Rugby Club Community Trust. This was funded by direct club investment (DCI), sportscotland's National Lottery club development fund.

Josh says: "I was previously working in mainstream rugby development, but this is massively more rewarding than anything else."

Josh, who has been with the Trust since July 2018, says the unique scheme was inspired by his eldest son Archie, 6, who has an autism diagnosis.

He says: "I looked at it as a parent and thought, 'There's an opportunity to do something really positive for children like Archie'. We wanted to further and really help these children flourish. So, we've created social stories and picture exchange cards to help with communication and have sensory tents if the children need time away."

"We also partnered with autism organisations to specifically design the sessions and offer training courses for those involved, so all the coaches are trained in Makaton [language programme]."

Held at Strathmore Rugby Club in Forfar, Angus, Josh says the response has been "absolutely outstanding", with sessions booked out weeks in advance.

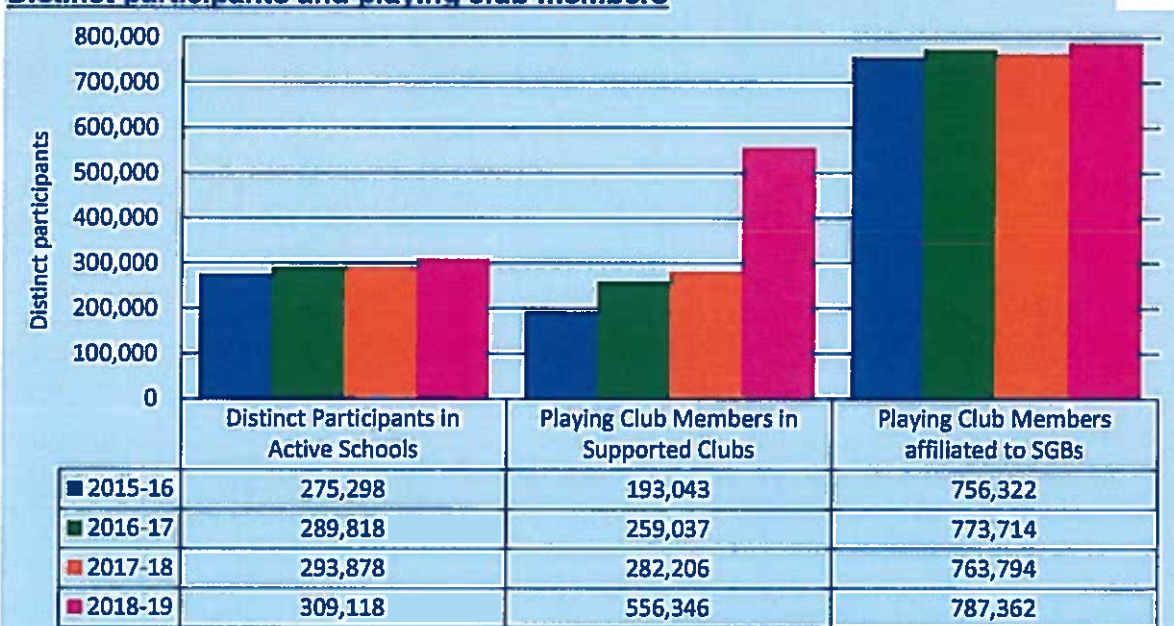
He says: “When you see how the kids are coming on, it’s brilliant. Some kids couldn’t integrate at all to start with, yet now they’re talking to the coaches and making eye contact. It’s not whether they can catch and pass a ball, it’s about social integration – and rugby has been the vehicle for that. It also means parents can get a bit of respite time, share stories and help each other out.”

The autism-friendly sessions form part of a wide range of projects being run out of the club, including an academy that has recruited 55 pupils from local secondary schools and Strathmore Clan, a unified side where non-disabled adults play alongside those with disabilities.

DCI funding has been provided directly to clubs since 2013 as part of a large-scale distribution of funding from The National Lottery, which celebrates its 25th birthday in 2019.

Impact measure 1 – We will have increased the number and diversity of people playing sport in schools and sports clubs.

Distinct participants and playing club members

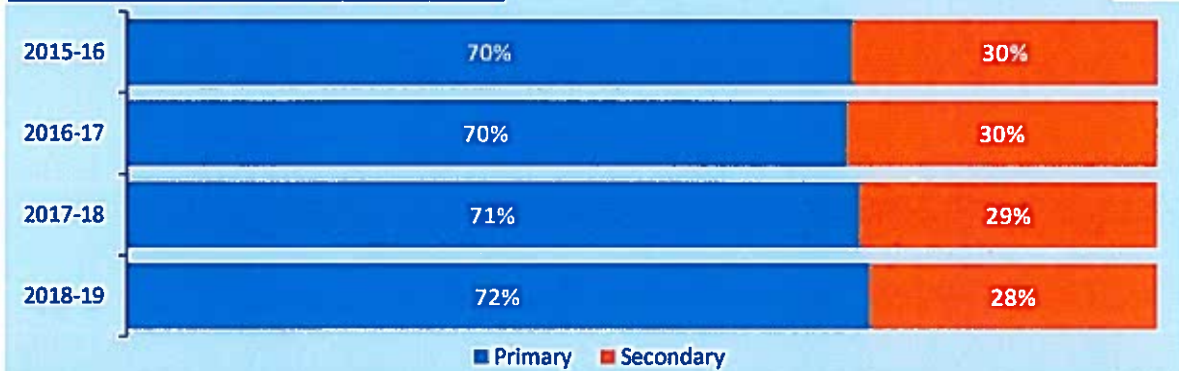


	<u>Comparable change since 2015-16⁴</u>
Distinct participants in Active Schools	+12%
Playing club members in supported clubs	+10%
Playing club members affiliated to SGBs	+11%

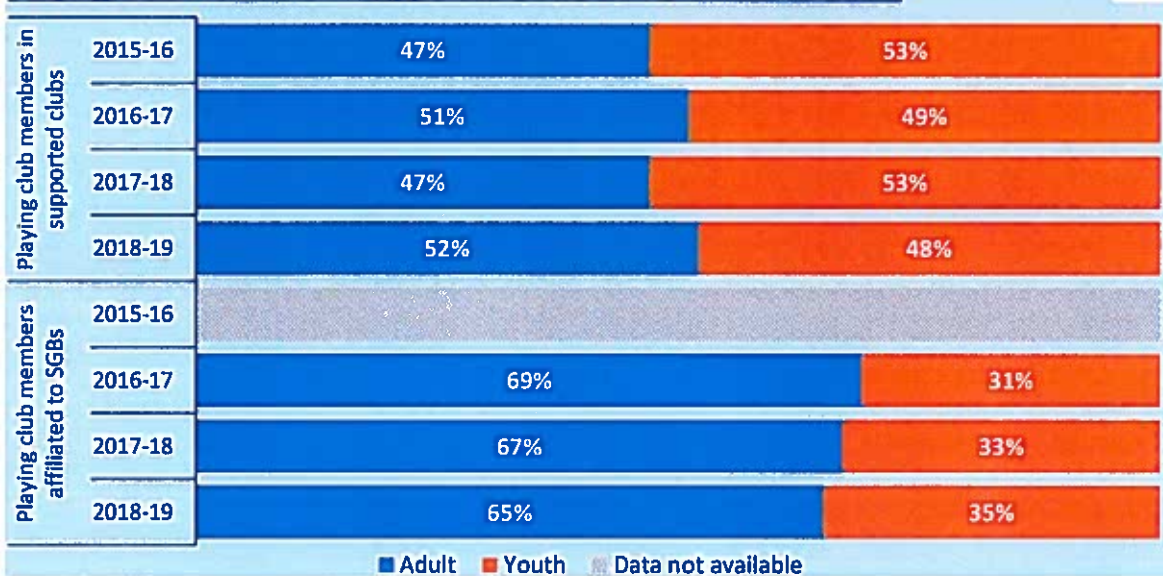
⁴ Comparable change: We analyse only those SGBs or clubs who returned membership data each year since 2015-16

Age breakdown of distinct participants and playing club members

Active Schools distinct participants

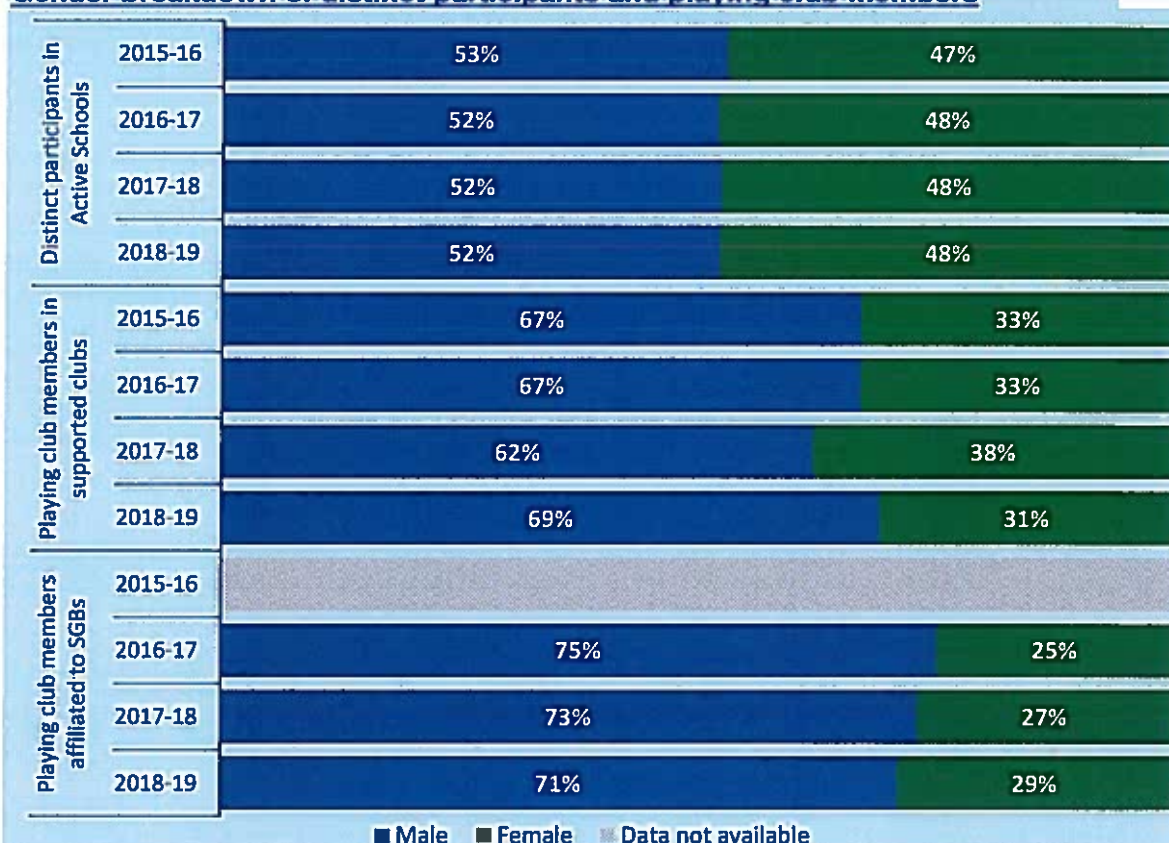


Playing club members in supported clubs and affiliated to SGBs



The increase in the number of adult club members in supported clubs is primarily due to the first-time addition of data from 582 golf clubs, which we supported through investment in regional posts. This added an additional 145,673 adult club members.

Gender breakdown of distinct participants and playing club members



The increase in the number of male club members in supported clubs is primarily due to the first-time addition of data from golf and football clubs, which we supported through regional posts. This added an additional 190,785 male club members.

2015-19 corporate review

Since the start of our corporate plan, we have seen⁵:

- 12% more pupils participating in Active Schools
- 10% more playing members in supported clubs
- 11% more playing members in SGB affiliated clubs

We increased the number of children and young people playing sport in the school environment through Active Schools. Active Schools has also contributed to the number of children and young people playing sport in the club environment by building and developing effective links with sport and community organisations.

We supported clubs through community sport hubs, direct club investment (DCI) and SGB regional posts to increase the number of people taking part in club sport. We were able to include data from golf and football clubs supported through regional posts for the first time in 2018-19. These clubs tend to have greater numbers of male participants. This makes it difficult to determine real change in gender balance. When

⁵ Comparable change. We analyse only those SGBs or clubs who returned membership data each year since 2015-16

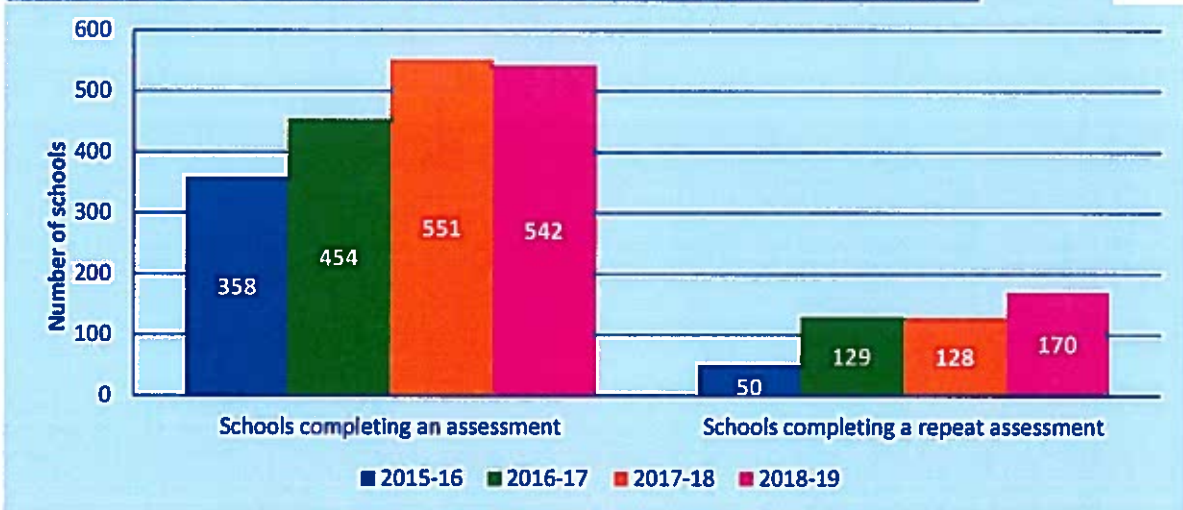
we analyse only those supported clubs who returned membership data each year, female youth participation is the strongest growing category in community sport hubs and SGB regional posts. It is the second strongest for DCI.

We have seen membership in SGB clubs grow in total and across most sports individually. This demonstrates that the sports club is still an important and thriving part of the sporting system. There are continuing challenges with some individual sports. These SGBs are working hard to attract new participants and develop alternative game formats. Over the last four years, we have seen the introduction of walking sports, small sided games and adjusted rule formats contribute towards making sport more inclusive, accessible and appealing to a broader range of participants. There is also recognition that the traditional club model is changing. SGBs are working hard to better engage with virtual clubs and groups that do not operate in the traditional sense.

We delivered a series of regional networking events to support collaboration and information sharing between local partners and SGB staff working with schools and clubs. This has helped strengthen the relationships and connections across environments. It has also improved the successful implementation of programmes and interventions. We implemented quarterly meetings with all supported posts in each region. These improved the connections between national and local planning and delivery and ensured better support to clubs.

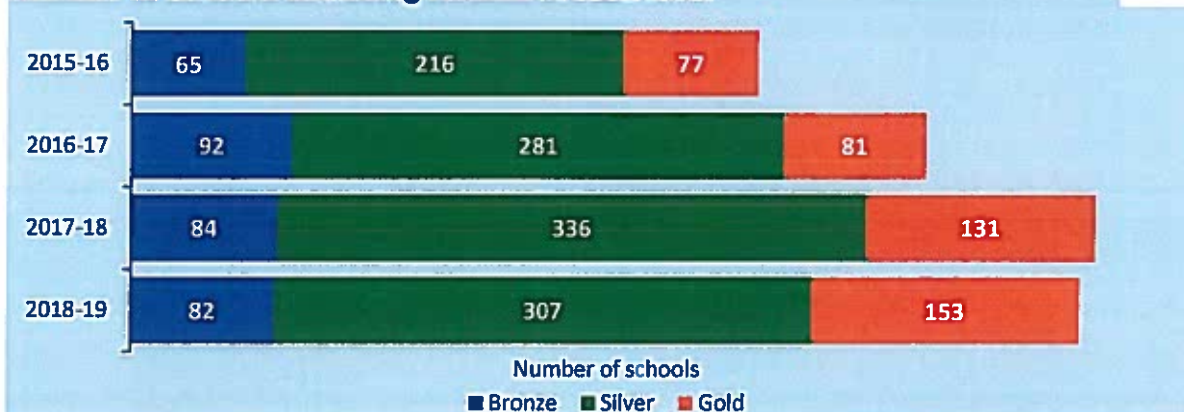
Impact measure 2 – We will have used the sportscotland School Sport Awards to strengthen the quality of sport within schools, driving strategic quality improvement and impact.

Number of schools completing assessments and repeat assessments



	Change since 2015-16
Schools completing an assessment	+51%
Schools completing a repeat assessment	+240%

Number of schools achieving awards at each level



	Change since 2015-16
Schools achieving a Bronze award	+26%
Schools achieving a Silver award	+42%
Schools achieving a Gold award	+99%

2015-19 corporate review

We delivered a 99% increase in the number of schools achieving a Gold award, the highest level of award, since the start of our corporate plan.

We used the **sportscotland** School Sport Awards to strengthen the quality of sport within schools. In 2018, we commissioned independent research⁶ on the impact of our supported activity in the schools and education environment. This found the awards had positively impacted the quality of sport in schools and helped build a culture of sport and activity. The continuous improvement tool was found to encourage a greater focus on sport, connections with clubs and pathways. 90% of strategic stakeholders felt the awards were effective in strengthening the quality of opportunities to participate, develop and progress in sport.

Impact measure 3 – We will have taken a planned approach to increasing the number, quality and diversity of coaches working in schools and education, and clubs and communities.

We continue to use Coaching Scotland as the strategic framework for the development of coaches and coaching in Scotland. It guides our priorities and informs the strategic and development discussions we have with partners.

We also use the Effective Coaching Map (ECM), which is aligned to Coaching Scotland, to help partners and coaches identify and develop the skills coaches need

⁶ <https://sportscotland.org.uk/about-us/our-publications/archive/evaluation-of-sportscotland-s-work-in-schools-and-education-environment/>

to be effective. We have aligned development opportunities available through the **sportscotland** app and partner led CPD to the ECM. This has increased the number of quality learning and development opportunities for coaches.

We continue to engage with the Coaching Network and partners to inform our priorities and approach for coaching moving forward.

Qualified and active coaches / deliverers

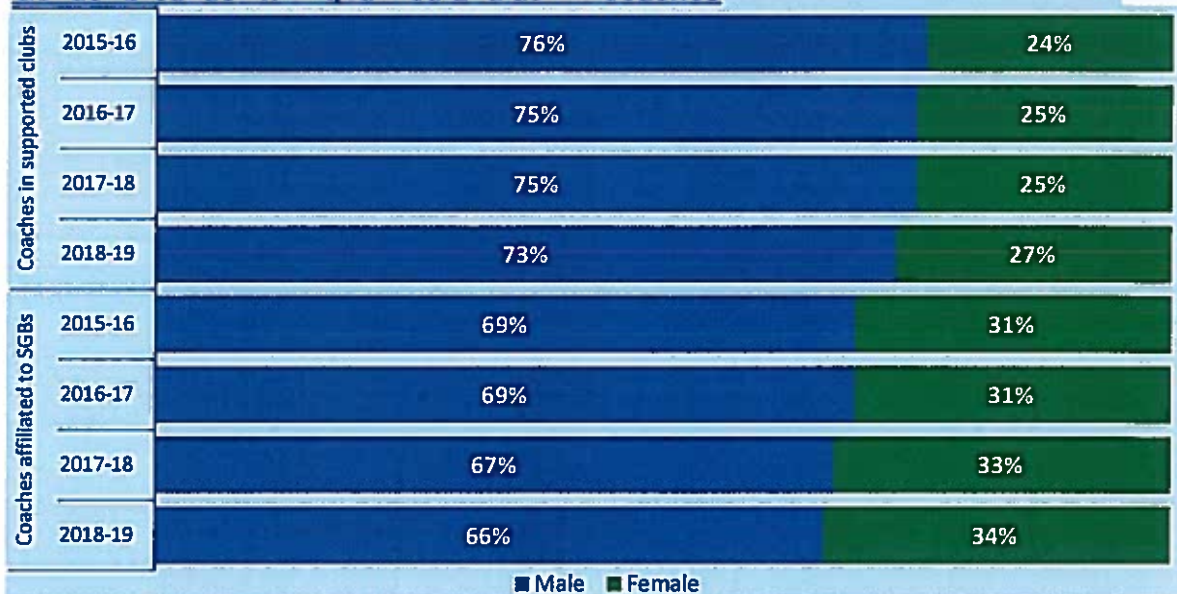


	<u>Comparable change since 2015-16</u>
Active Schools deliverers	+11%
Qualified and active, Active Schools deliverers	+0%
Coaches in supported clubs⁷	+11%
Qualified and active coaches in supported clubs	+9%
Coaches affiliated to SGBs⁸	+3%
Qualified and active coaches affiliated to SGBs	+3%

⁷ Comparable change: Analysis of 680 supported clubs who returned coach data each year since 2015-16, 43% of 2018-19 total supported clubs. Please see appendix 1 for more detail.

⁸ Comparable change: Analysis of 40 SGBs who have returned data each year since 2015-16. Please see appendix 1 for more detail.

Gender breakdown of qualified and active coaches



2015-19 corporate review

Since the start of our corporate plan, we have seen⁹:

- 11% more deliverers in Active Schools
- 11% more coaches in supported clubs
- 3% more coaches in SGB affiliated clubs

We launched Coaching Scotland, a refreshed strategic framework for the development of coaches and coaching in Scotland. This framework aims to support the sport sector to develop a more diverse range of coaches who in turn display the skills, knowledge and behaviours required to deliver high quality sporting experiences for all.

We developed and communicated the Effective Coaching Map. This supports partners to identify learning and development opportunities, and to use resources and plan more effectively. We also carried out an independent review of UKCC qualifications and subsidy in Scotland. We are using the findings of this to inform our planned approach.

In 2018, we commissioned independent research¹⁰ on our support for coaches and coaching. This found our leadership role in shaping policy and providing strategic direction to be both highly valued and critical to ensuring the success of the sporting system in Scotland. We will continue to develop more collaborative working relationships to shape policy and strategic direction, and support partners to achieve jointly agreed objectives and outcomes.

⁹ Comparable change. We analyse only those SGBs or clubs who returned coaching data each year since 2015-16.

¹⁰ <https://sportscotland.org.uk/about-us/our-publications/archive/evaluation-of-sportscotland-s-support-for-coaches-and-coaching/>

Progression

You will have the opportunity to develop, progress and achieve success at your chosen level in sport.

Case study | Duncan Scott | Swimming

Commonwealth and European champion Duncan Scott enjoyed an outstanding year in the pool in 2018 – but says none of it would be possible without the ‘team behind the team’.

The 22-year-old has been supported by the **sportscotland** institute of sport since he was a teenager and says it continues to play an important role in his development.

Duncan says: “Sitting in my first review meeting aged 15 was quite an eye-opener. It was the first time I’d looked properly at things like performance nutrition and strength and conditioning– it opened up so many pathways and opportunities for me to get better.”

As a part-time student at the University of Stirling, Duncan is still within touching distance of the institute. And he says: “There have been so many occasions where I’ve been lucky to have the **sportscotland** institute of sport – the support has been tremendous.”

“I now get strength and conditioning three times a week, see performance nutritionists and psychologists and the physio can be called upon at any moment. My Performance Lifestyle coach was even able to arrange a study programme that took the pressure off my shoulders.”

Duncan says this ongoing guidance helps contribute to the 1% margins that enable high-performance athletes to maximise their potential, admitting: “At the top of any sport, it’s the small margins that make the difference, especially in swimming, where 0.5 of a second can separate the whole field.”

“Swimming is very much an individual sport, but at the same time it’s not. To better yourself, you need to go that little bit further, but you also need people who look at things in a different way and I’m lucky enough to have that at the **sportscotland** institute of sport.”

“It allows athletes to look a lot deeper for small percentages through different pathways and small inclines in ways they might not have thought possible.”

This support played a key role in a spectacularly successful 2018 for Duncan, as he won gold, silver and four bronzes at the Commonwealth Games in Gold Coast, Australia. This was followed by three golds and a silver in the European Championships in Glasgow.

Duncan – who was also named Athlete of the Year at the UK-wide National Lottery Awards and Sports Personality of the Year at the Sunday Mail **sportscotland** Scottish Sports Awards – said: “When we went to Australia, numerous members of the institute were there. Without them, a lot of what we achieved wouldn’t have been possible.”

A collaborative approach to performance sport programmes forms part of **sportscotland**’s investment in the Scottish Governing Bodies of sport, such as Scottish Swimming, and Duncan’s success at Gold Coast 2018 was part of a record Team Scotland haul of 44 medals.

After the “amazing” rise of Scotland’s swimmers in recent years, Duncan says they are now looking to the next challenge – and on a personal level, his main aim is to graduate, then focus on the 2020 Olympics in Tokyo.

He says: “The Olympics is the pinnacle, but with British and Scottish swimming currently being so strong, the first thing is to actually get on the team. It’s good that our teams are getting better but from a personal point of view, it becomes increasingly difficult to qualify.”

Impact measure 4 – We will have supported up to 10 Scottish governing body partners to understand and describe sport specific pathways, with each sport providing evidence of the difference these pathways have made in terms of athlete quantity and quality.

7 SGBs supported to understand and describe their sport specific pathway effectively, up from 3 SGBs in 2017-18¹¹

We developed a tool to support SGB partners through the process of understanding and describing their sport-specific pathway. We worked with seven sports to pilot the tool and a further two sports¹² to analyse their talent pathway. This reflective process required sports to consider participant needs and use this understanding to determine the change required for an effective sporting pathway.

We divided the pilot process into three phases:

¹¹ 2018-19 figure includes: canoeing, rowing, snowsport, netball, golf, mountaineering and modern pentathlon. 2017-18 figure includes: rowing, canoeing and snowsport.

¹² Judo and badminton

Phase 1 – We provide an audit questionnaire which allows each sport to understand and self-assess their current pathway resulting in priority areas for development.

Phase 2 – We facilitate a series of targeted sessions aimed at addressing each sport's priority development areas.

Phase 3 – We support each sport to implement the identified change required to develop their pathway.

We delivered 32 facilitated sessions which covered a range of topics, including:

- pathway diagram design and communication plan
- revised coaching systems and development of bespoke coach PDP programs
- competition review
- increased partnership working
- prioritisation of data collection processes.

We have also developed a pathway tool delivery pack and provided initial training so sportscotland staff can support SGBs to better describe their pathway.

2015-19 corporate review

We progressed the SGB pathway development tool as a pilot with seven sports, and talent pathway analysis with two sports, since the start of our corporate plan.

The pilot has supported key staff in each of the sports to better understand and explain their pathways. They have identified strengths and weaknesses in their current pathway and prioritised areas for further development.

We received positive feedback from each of the SGBs involved. They have recognised the need for a participant and athlete-focussed approach and more targeted long-term outcomes. Each sport is now working to implement their identified pathway improvements.

Impact measure 5 – We will have supported more coaches to become better at coaching, in order to support athletes to improve, at all stages of the pathway.

We support coach education and development at each stage of the coach pathway.

We invest in the development and delivery of CPD opportunities for coaches. Our investment and strategic support to SGBs supports the delivery of sport-specific CPD for coaches. We also support SGBs to improve the reach, breadth and accessibility of their coach education and development opportunities.

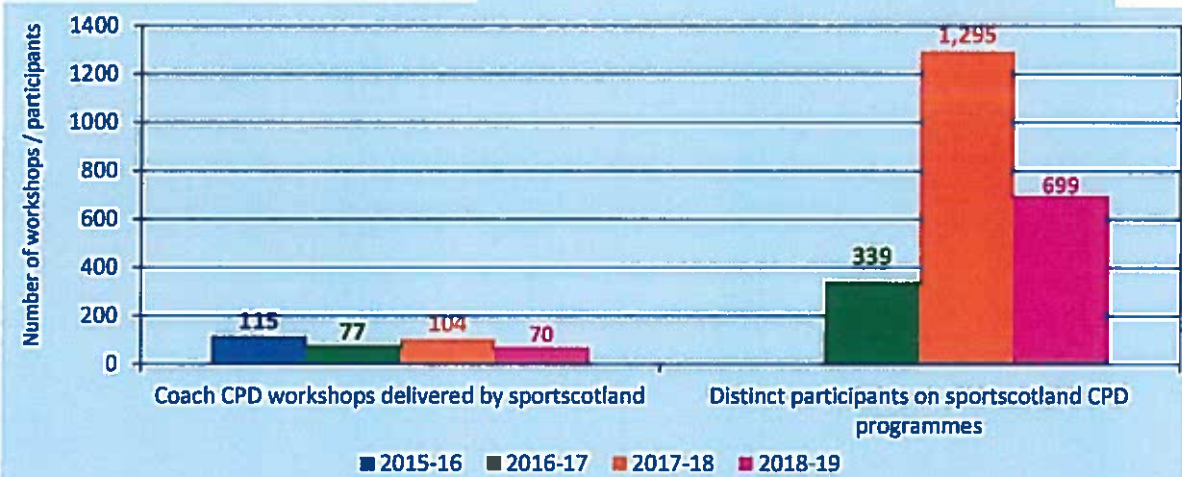
We continued to enhance our online and blended learning support for coaches. This included:

- creating online modules
- increasing virtual classroom delivery
- developing resources such as podcasts and videos, to support coaches in their personal learning.

We will continue to scope out opportunities to support coaches to enhance their learning through technology.

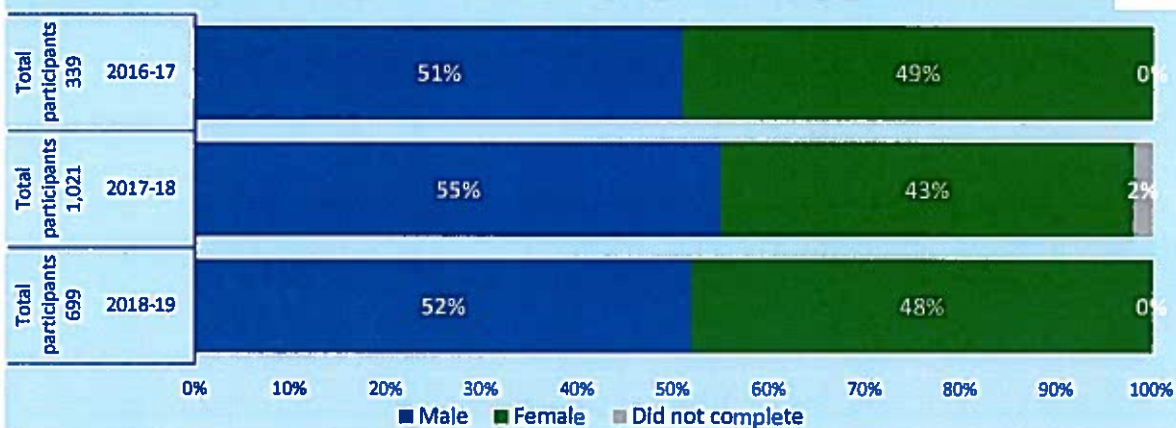
In January 2019 we started a new high-performance coach development practitioner programme. This will build a network of verified, qualified coach developers to support performance coaches to optimise their learning and performance in context.

sportscotland coach CPD support

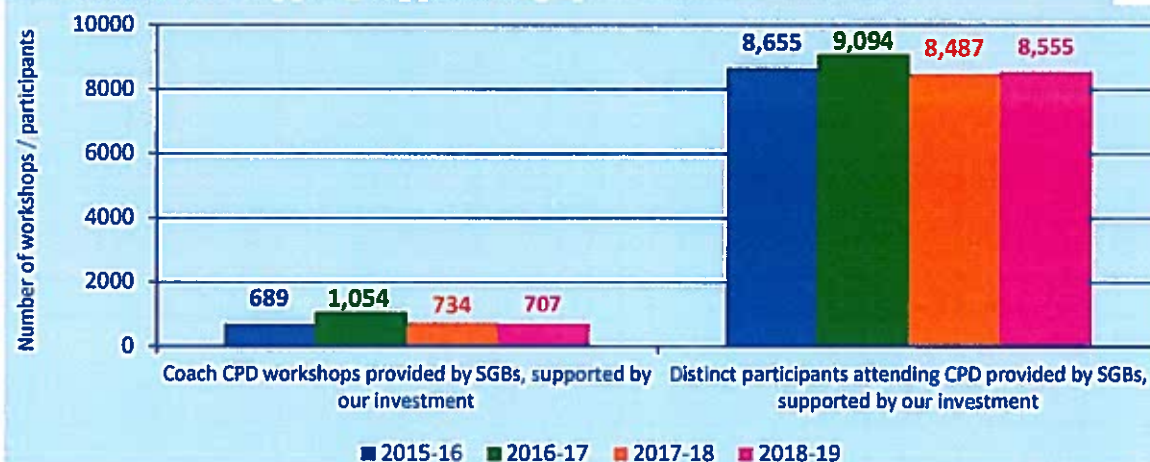


We paused delivery of Positive Coaching Scotland (PCS) for coaches workshops as we discussed a new agreement with the Winning Scotland Foundation. The group of performance athletes from our athlete to coach transition programme, Coaching Futures, completed their journey, with six being appointed into new roles within SGBs. As a result, the number of CPD workshops delivered and number of distinct participants attending CPD decreased.

Distinct participants on sportscotland CPD programmes, by gender¹³



SGB coach CPD support, supported by sportscotland investment



2015-19 corporate review

We provided direct CPD support to over 2,330 coaches since the start of our corporate plan.

We evolved our approach to CPD delivery over the last four years. We developed positive relationships with higher education and further education partners to create and deliver new opportunities for coaches. We increasingly adopted a blended learning approach to increase the reach and flexibility of our coach education and development learning. We also informed CPD designed and delivered by SGBs, maximising the reach of our expertise through pre-existing delivery mechanisms.

The coaching evaluation¹⁴ highlighted that the key ways we impact coaches are through our CPD opportunities, UKCC subsidy, and our funding to Coaching Network officers. Our direct CPD support was shown to be comprehensive and has enabled

¹³ 2018-19 figure does not include PCS for coaches as we paused delivery of workshops. 2017-18 figure does not include 274 PCS participants as gender breakdown not available due to change in delivery.

¹⁴ <https://sportscotland.org.uk/about-us/our-publications/archive/evaluation-of-sportscotland-s-work-in-schools-and-education-environment/>

coaches to achieve several learning outcomes. However, our support offer can be challenging for coaches to navigate. In future, we will aim to make our direct support clearer and easier to access. We will aim to streamline the options and take a more coach-centred approach.

Overall our coach education and development support was shown to help improve the skills and understanding of coaches in relation to equality and inclusion, but there are areas for improvement. The findings reinforced our need to embed equalities as the central consideration in the development, delivery and communication of coach education and development support. This will encourage and enable people from under-represented groups to become coaches and to progress as coaches.

Impact measure 6 – We will have supported Team Scotland to win more than 30 medals at the 2018 Commonwealth Games in the Gold Coast.

We provided a range of support to athletes, sports and partners to prepare for the 2018 Commonwealth Games in the Gold Coast. This included:

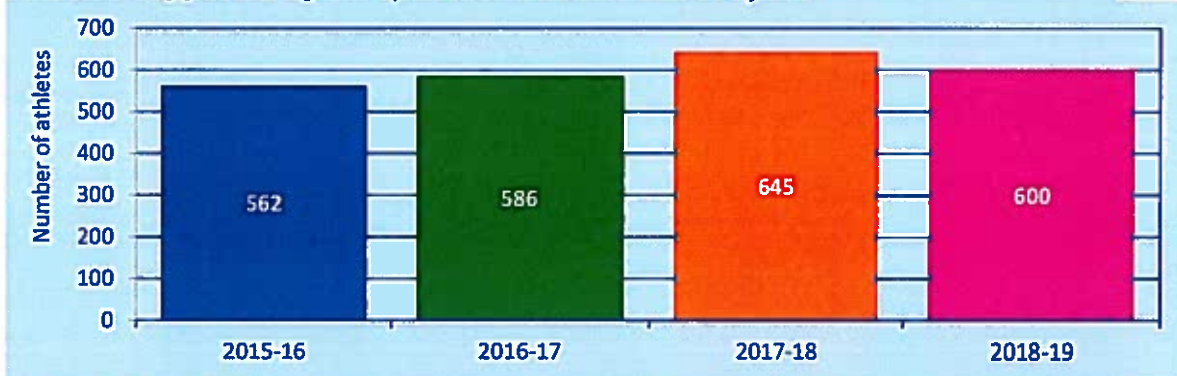
- Investing in SGBs to deliver high performance programmes
- Investing in Commonwealth Games Scotland, which helped fund a preparation camp
- Providing support services to SGBs and athletes through the **sportscotland** institute of sport
- Supporting SGBs to ensure 350 long-listed athletes received Clean Games educational support and training
- Providing **sportscotland** Athlete Personal Awards (SAPA) to 53 athletes, across 11 sports
- Providing the team behind the team: Over 35 full-time and contracted **sportscotland** institute of sport staff were in Australia providing support to all Scottish athletes across all 18 sports.

Medal performance

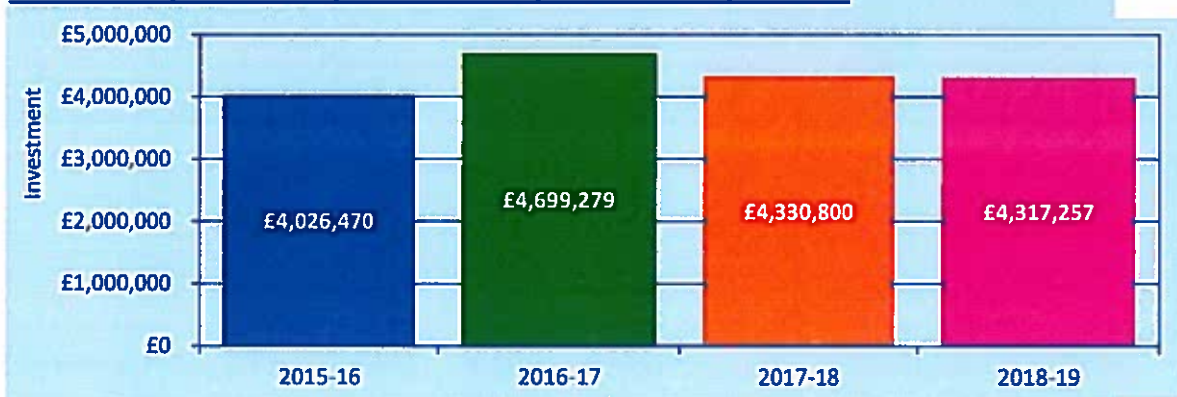
44 medals won by Team Scotland at 2018 Commonwealth Games



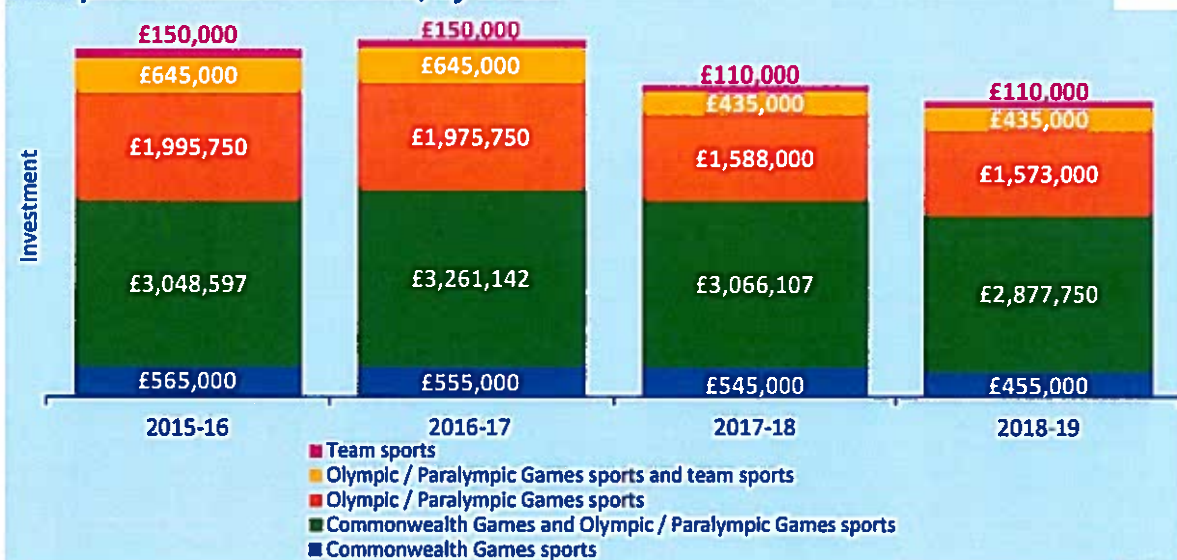
Performance sport services to athletes
Athletes supported by the sportscotland institute of sport



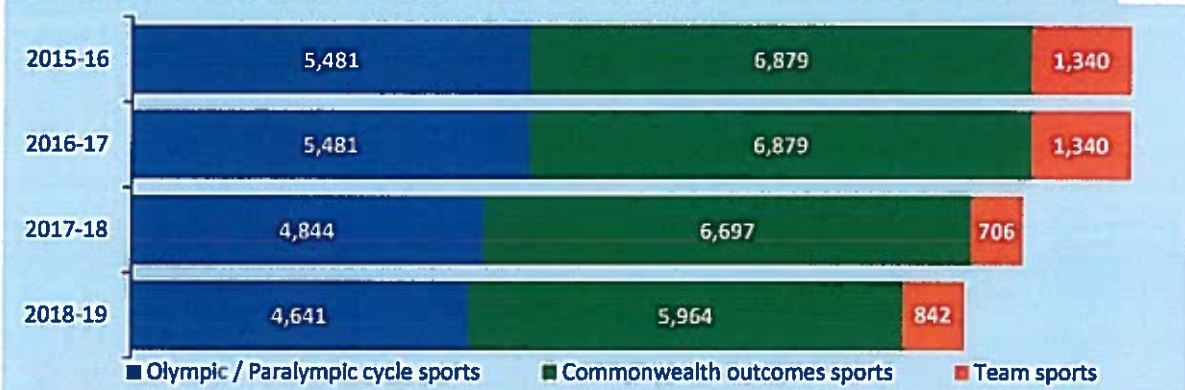
Financial equivalent of performance sport services provided



Performance investment into SGBs
SGB performance investment, by event



SGB performance, days of support provided by sportscotland institute



Institute support levels and SGB performance investment were subject to a mid-point review. An overall reduction was mutually agreed with SGBs due to resource being reprioritised.

2015-19 corporate review

We supported Team Scotland to win a record 44 medals at the 2018 Commonwealth Games.

We achieved the target of a 'best-ever' away games, surpassing the previous best of 29 medals achieved in 2006 in Melbourne. It was also Scotland's second largest medal haul overall after the Glasgow 2014 home games. 224 athletes were selected for Team Scotland, including 156 institute-supported athletes. There was also the biggest Scottish female (93) and para-athlete (18) contingent at an away Games.

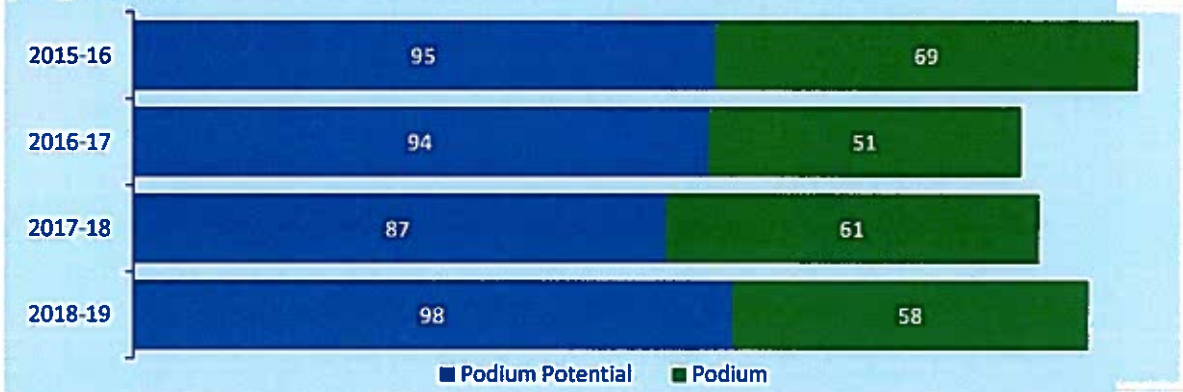
Impact measure 7 – We will have supported Scottish athletes to be selected for UK Sport World Class Programmes and to compete for Team GB in the Olympic and Paralympic Games (Winter and Summer)

During 2018-19 we prioritised the delivery of institute support services to athletes and sports preparing for the 2020 Tokyo Olympics and Paralympics. We provided direct athlete investment to support living costs and increased training and competition opportunities for Scottish athletes with aspirations of being selected onto Team GB and ParalympicsGB.

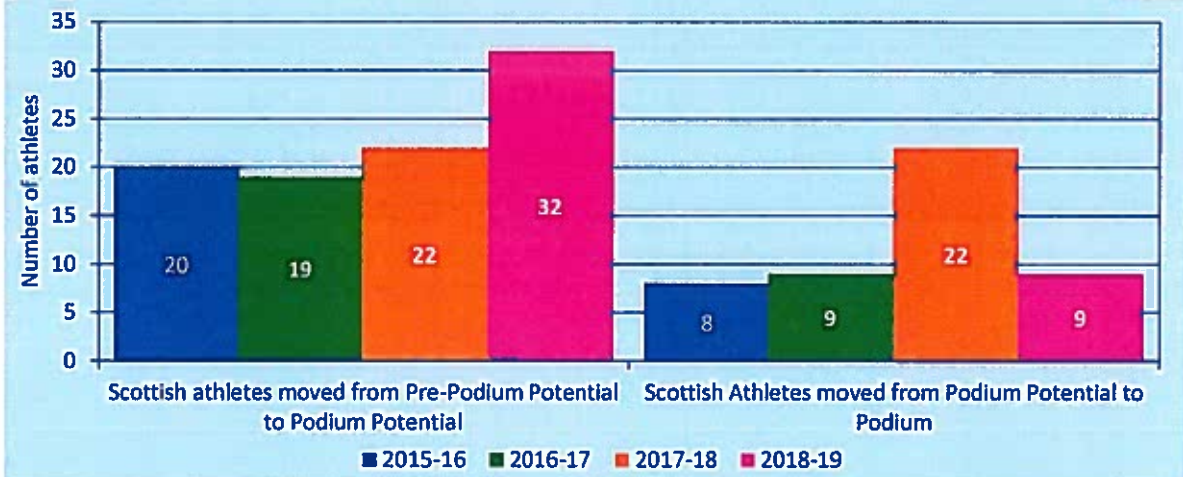
We continued to support Scottish athletes to meet the requirements of our Clean Sport and Anti-Doping policy. This included further roll-out of the food first programme to educate athletes and coaches about performance nutrition and address the use of supplements in performance sport.

99 UK Sport Podium and Podium Potential athletes are based in Scotland receiving specialist expertise and support services as at 31 March 2019. This increased from **88** athletes as at 31 March 2018.

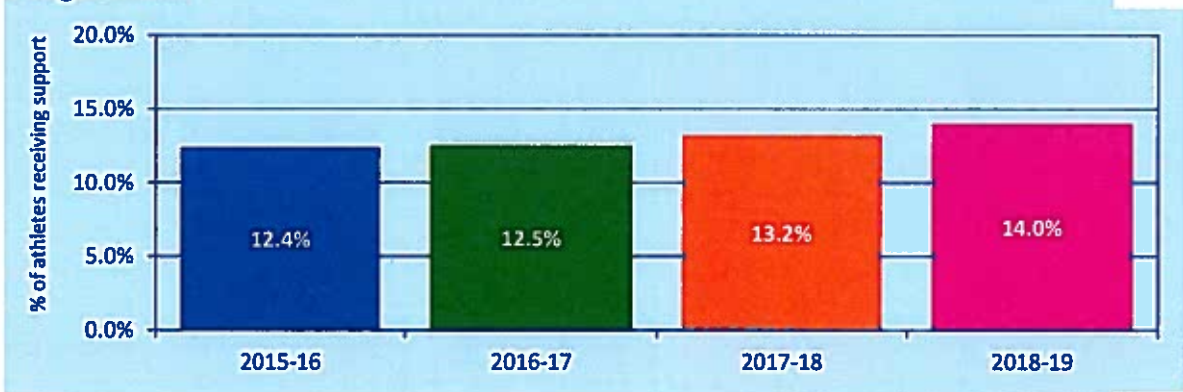
Scottish athletes supported by UK Sport Podium and Podium Potential programmes



Scottish athletes progressing through UK Sport Podium and Podium Potential programmes



Scottish athletes receiving support from UK Sport Podium and Podium Potential Programmes



This indicator reflects how well Scottish athletes are supported by UK Sport Podium and Podium Potential programmes. UK Sport continue to support fewer athletes in total across these programmes, however Scottish athletes have increased their share of the available support.

2015-19 corporate review

Scottish athletes won a total of 33 medals at the Summer and Winter Olympic and Paralympic Games since the start of our corporate plan.

Scotland and the **sportscotland** institute of sport made a significant contribution to the success of Team GB and ParalympicsGB. 81 Scottish athletes were selected for Team GB and ParalympicsGB in Rio. This surpassed the previous best for an away Games of 48 in Sydney in 2000. There were 27 Scottish medallists, three more than the previous best of 24 in Sydney in 2000. Scottish athletes won 30 medals in total. 25 Scottish athletes were selected to compete for Team GB and ParalympicsGB in PyeongChang. This surpassed the previous best of 24 in Sochi in 2014. Scottish athletes won three medals.

From this, we achieved a series of best-ever results, including:

Record number of Scots on Team GB and ParalympicsGB at an away Summer Olympics and Paralympics

Record number of Scottish medallists at an away Summer Olympics and Paralympics

Record number of Scottish athletes selected for Team GB and ParalympicsGB at an away Winter Olympics and Paralympics

There was also continued high numbers of Scottish athletes at World Class Podium Potential level, indicating successful transitions from Scottish performance programmes into Olympic and Paralympic programmes.

Enablers

People

You will be supported by quality people who work together to help you achieve your goals.

Case study | Rebecca Maclean | Judo

In her days as a judoka, Rebecca Maclean didn't believe in standing still – and she's still on the move today, inspiring more and more young people to get involved in sport.

Rebecca launched her career in sport as a youth development officer with High Life Highland and she is now an Active Schools coordinator based at Kinlochleven High School. As an Active Schools coordinator Rebecca develops a range of programmes to help increase the number and quality of opportunities available for young people to get involved in sport.

In the 2017-18 academic year, pupils in Scotland made 7.3 million visits to Active Schools sessions, an increase of more than 6% on the previous year with almost 23,000 volunteers delivering activities.

Rebecca, 27, splits her time between Glasgow and her home in Fort William where she also supports the successful Judo Girls Rock projects, delivered by Judo Scotland, Scottish Sports Futures and Youth Scotland.

Rebecca says her ever-growing sphere of experience is enabling her to pass on her skills to the next generation.

She says: "I started as an Active Schools coordinator in October 2018 and absolutely love it. Together with Judo Girls Rock, it's what I'm all about – trying to get people more active."

The original Judo Girls Rock helped girls in socially deprived* areas of Glasgow and Rebecca has now opened a new class in Fort William.

She adds: "My week is pretty busy but I'm doing what I love. It's amazing to watch young girls doing the sport that made such a difference to my life – and now I'm starting to see it making a difference to theirs.

"It's making a big difference in the deprived areas and getting a lot of girls into judo who might not otherwise have had the opportunity to do so. But it's also about more than judo, it's about introducing girls to sport in general and showing them a healthier life.

"I'm in a good position to pass on my experience and help other young leaders on their journey because I've done exactly what they're going through."

Rebecca says she's committed to building on her success by developing her Active Schools role and introducing even more girls to sport across her cluster. In 2018 her dedication as a judo coach was recognised with the Young Coach of the Year award at the sportscotland Year of Young People Awards 2018 – an honour she says left her "absolutely shocked".

She says: "I just want to develop Judo Girls Rock further and get even more young girls and clubs involved. I'm also looking forward to getting as many people as possible active – I believe sport can change your life."

"It's amazing to watch young girls doing the sport that made such a difference to my life"

* Based on Scottish Index of Multiple Deprivation (SIMD)

Impact measure 8 – We will have used the Coaching Scorecard to drive quality improvement in the development of coaching strategies, ensuring there are more coaches with the right qualifications working in sport, and improving opportunities for those currently under-represented in coaching.

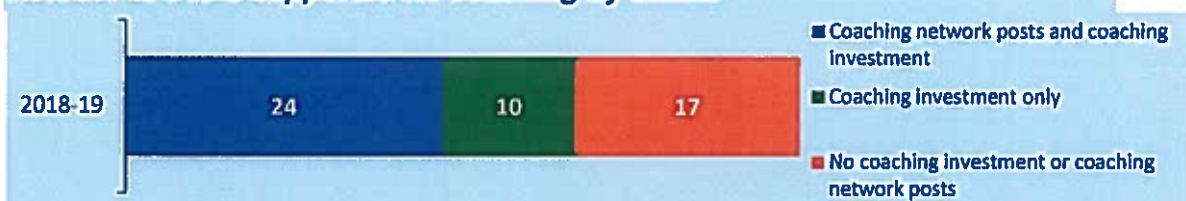
The coaching scorecard helps SGBs to plan, develop and deliver their coach education and development programmes. It also supports SGBs to reflect on and record their progress in delivering against the priorities and actions in Coaching Scotland. We have introduced a peer mentoring scorecard review in collaboration with SGBs. This provides a platform for sports to support each other in key areas for development and helps identify areas of good practice.

We continue to encourage SGBs to look strategically at long-term workforce development and ensure coaches are progressing through qualification levels. Our focus is to provide more emphasis on the quality and diversity of the workforce and to encourage SGBs to invest in retaining coaches who are committed to deployment and further training opportunities. We continue to support new and developing coaches to achieve qualifications, based on projected plans by sports.

We reviewed the UKCC endorsement process. We are working with the Scottish Qualifications Authority (SQA) and the Chartered Institute for the Management of Sport and Physical Activity (CIMPSA) to develop and implement a refreshed approach to coach education in Scotland from 2020-21. We have engaged SGBs, higher and further education establishments, schools and employers to create a cohesive approach to future qualification development and delivery.

SGB coaching support

Number of SGBs supported for coaching by strand¹⁵

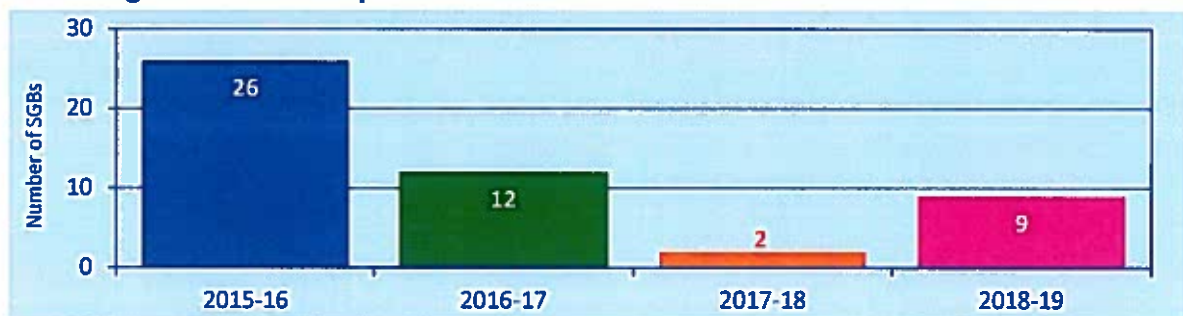


¹⁵ N=51 for all years. Number consistent since 2015-16 with exception of 2016-17: Coaching Network posts and coaching investment = 24, Coaching investment only = 12. No coaching investment or Coaching Network posts = 10

Total investment to support SGBs for coaching by strand



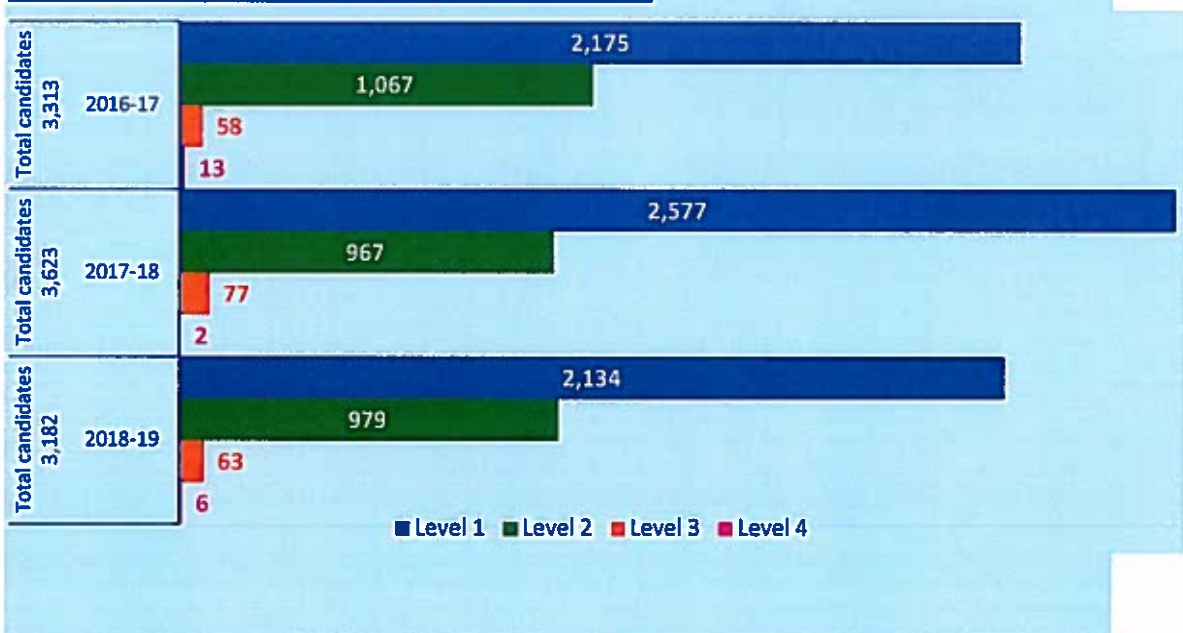
Coaching scorecard completions



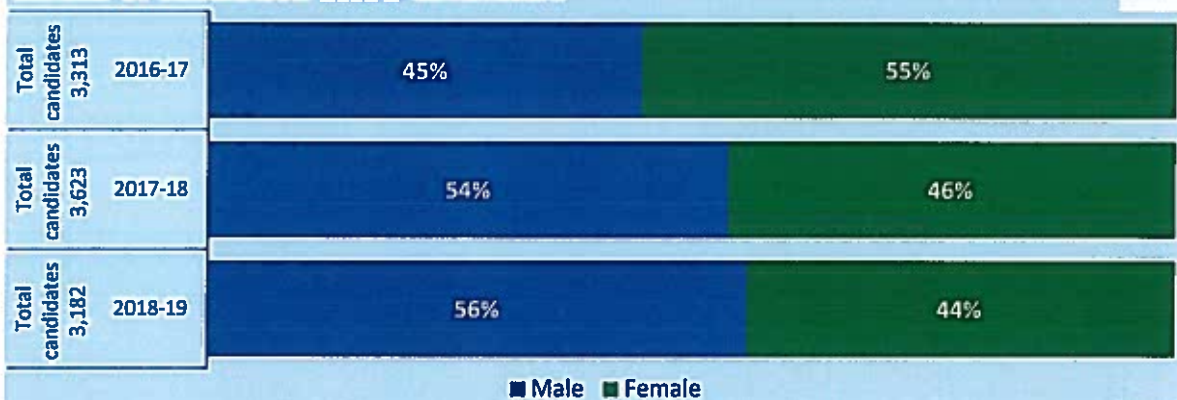
In 2017-18, we refreshed the coaching scorecard in line with the updated Coaching Scotland framework. As a result, the scorecard was not available for SGBs to use for most of this time. Any SGBs who were in the process of completing the scorecard during this time were guided to see it through.

UKCC subsidy

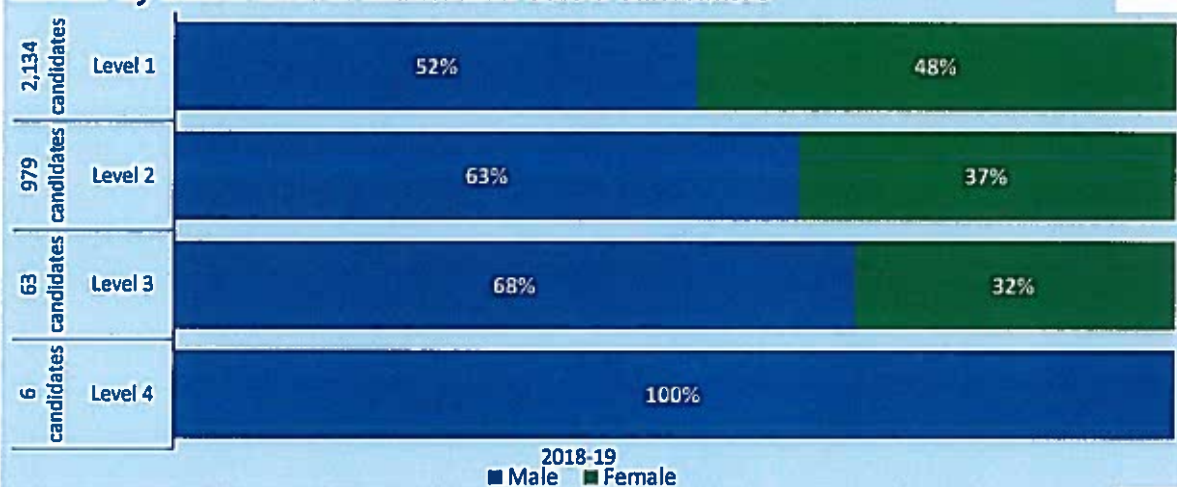
UKCC candidates subsidised by sportscotland



Gender of subsidised UKCC candidates



Gender by award level of subsidised UKCC candidates¹⁶



Evidence from the coaching evaluation indicates female coaches are given fewer opportunities in paid coaching positions as they progress up the pathway. This is reflected in the gender breakdown of subsidised UKCC candidates, particularly in Level 3 and Level 4. We are aware of the under-representation of female coaches at this level and are aiming to address this through targeted approaches.

2015-19 corporate review

We gave 10,118 people UKCC subsidy to help them access coach education since the start of our corporate plan.

We refreshed the coaching scorecard in line with the updated Coaching Scotland framework. This provided a focus for SGBs to consider, plan, prioritise and deliver their coach education and development programmes. We have seen an increase in the number and range of sports clarifying their strategic direction for coaching and driving up the quality of delivery through their sport. We have also seen consistent delivery of coach qualifications.

¹⁶ Data only available for 2018-19

The coaching evaluation found that people from disadvantaged communities are less likely to apply for the UKCC subsidy. We therefore have a role to identify, understand and address barriers. We are currently developing a new model for coach education in Scotland, in partnership with CIMSPA and the SQA. Through this, we aim to enhance the accessibility and affordability of coach qualifications from 2020-21.

The evaluation also showed that certain groups are under-represented in the coaching workforce. Our partners believe we are committed to improving this but recognise it will take time to see significant change. We recognise more work is required to target, attract and retain a more diverse coaching workforce, and we will continue to provide leadership and support to partners to achieve this.

Impact measure 9 – We will have developed and implemented a clear, strategic approach to leadership development for professional staff working in Scotland’s sporting system, proactively encouraging diversity in the workforce for sport.

We have an ambition to have strong, positive leaders in Scottish sport. We continue to provide opportunities for leadership development to partners and to sportscotland staff.

Scottish Sporting Leaders

In September 2018, we launched the Scottish Sporting Leaders (SSL) programme. It aims to support mixed cohorts of leaders from national and local partners to enhance the skills, knowledge and behaviours they need to successfully operate at management levels beyond their current role. This should improve the leadership capability across the sporting system.

This is the first time we have provided specific cross-organisational development opportunities for partners. The benefits of this approach have started to emerge such as shared best practice, enhanced relationships and wider networking opportunities. The first cohort continues to progress well through their planned programme. This includes a balance of theory and practical leadership examples, interspersed with personal coaching sessions. Feedback from attendees has been very positive:

‘Really enjoying it. First time in 3 years I feel empowered to make meaningful change, because I now have some tools and the confidence to do so.’

‘Right balance of theory and practice. Feeling better prepared to deal with and utilise tools in specific situations. It has helped build my confidence and validate where I’m at as a leader.’

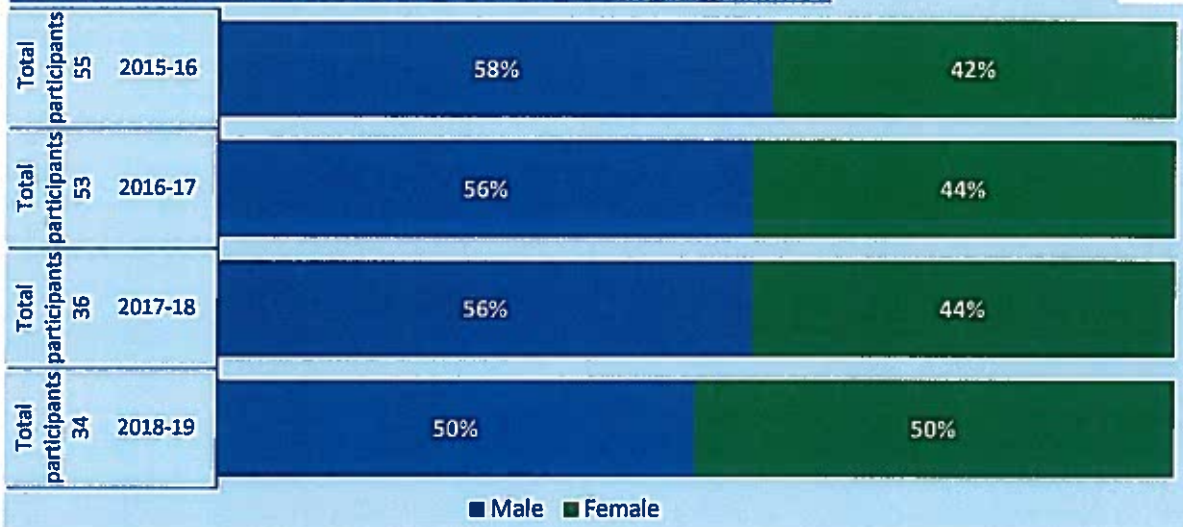
In addition to SSL, we supported five women from SGB partners and sportscotland with programme costs to attend the Women’s Sport Leadership Academy. This residential programme aims to increase the confidence and competence of women working in sport in a range of leadership behaviours.

Performance through Leadership

Our internal leadership programme, Performance through Leadership (PtL), was designed to support participants to continuously improve critical performance and leadership behaviours. The final cohort completed the programme in summer 2018 and feedback has been positive:

“The programme has helped to develop and confirm common approaches and goals”,
“We have become much more result focused in everything we do – ownership and accountability is continually encouraged”.

External and internal leadership development programmes



2015-19 corporate review

We supported 178 professional staff members with leadership development since the start of our corporate plan.

We implemented a clear, strategic approach to leadership development for professional staff working in Scotland’s sporting system. Through the Scottish Sporting Leaders programme, alongside the Women’s Sport Leadership Academy, we provided external leaders with opportunities to develop a wide range of skills and behaviours that will support them in their leadership journey. We plan to evaluate the SSL programme to inform and improve future delivery.

Our internal leadership programme, Performance through Leadership (PtL), was designed to support participants to continuously improve critical performance and leadership behaviours. In March 2016, an external evaluation found the content, delivery and learning outcomes for participants to be successful. Having established this position, we will use the learning from PtL to develop an internal management development programme. This will offer a series of learning interventions to further enhance the management skills of all managers, and aspiring managers, across sportscotland.

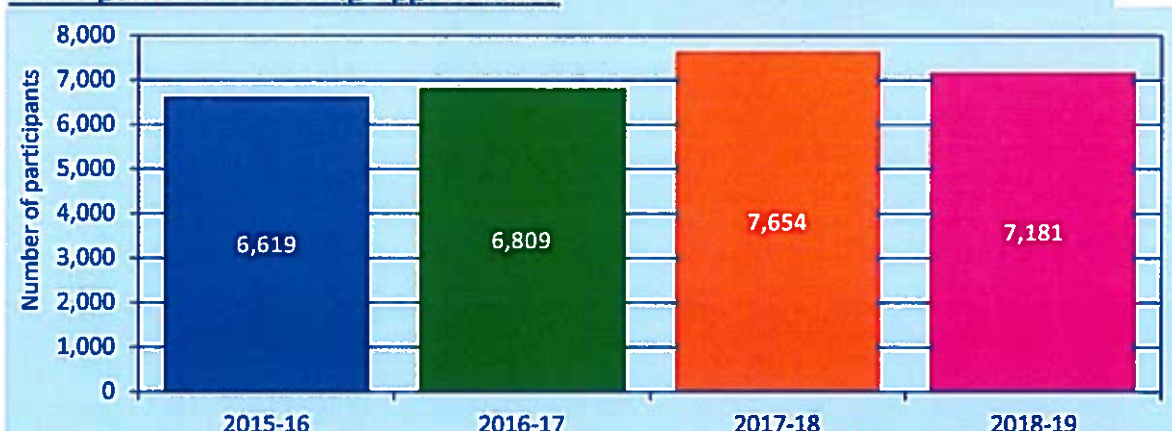
Impact measure 10 – We will have provided a range of leadership opportunities to young people, so they are encouraged and supported to reach their potential in leadership roles.

We continue to develop and enhance the range of opportunities for young people to develop as leaders in sport. This includes providing national training, support, resources and networking to young people to gain the skills, knowledge and understanding to undertake these leadership roles.

In November 2018, we delivered a national managers networking event. We worked with local and national partners to reflect on current practice and how we can work together to increase the number and diversity of young people accessing leadership roles. Members of our Young People’s Sport Panel and the Young Ambassadors conference delivery team contributed to discussions. This helped to inform and influence partners future engagement with young people.

We delivered the Lead the Way event to 90 young club leaders from across Scotland. This was part of our overall contribution to the Year of Young People 2018. The event was co-designed by young people and aimed to develop their leadership skills while providing an opportunity to network with other like-minded young leaders. Feedback was very positive, with attendees reporting the event helped to enhance and develop their leadership skills.

Participants at leadership opportunities



Comparable change since 2015-16

Participants at leadership opportunities	+8%
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2015-19 corporate review

We increased the number of young people accessing leadership opportunities by 8% since the start of our corporate plan.

We created a range of opportunities for young people, aligned to five key roles for young people as leaders in sport. These include:

- Young Ambassadors

- Young Decision Makers
- Internship
- Competition Organiser Training
- Young People's Sport Panel (YPSP)

In addition to the roles above, we provided young people with leadership opportunities as deliverers of Active Schools activity. We also created opportunities specifically aimed at girls and young women through Fit for Girls solutions workshops.

Feedback from the YPSP indicated they had developed new skills as panel members, including improved communication, improved self-awareness, public speaking and knowledge of the sporting system. Over 80% of the girls involved in Fit for Girls Solutions workshops reported they had increased their knowledge of approaches to get more girls and young women engaged in physical education, physical activity and sport in their schools and local communities.

The schools and education evaluation highlighted the range of opportunities available to senior pupils. Young Ambassadors and secondary pupils indicated that they learned many new skills including confident leadership, organisation, communication, teamwork and public speaking. A number of pupils also gained leadership and coaching qualifications through Active Schools. More than half of Active Schools staff felt Competition Organiser Training had been effective in helping young people to develop their leadership skills.

Places

You will have access to a network of quality places where you can get involved in sport.

Impact measure 11 – We will have established sportscotland national centre Inverclyde as a fully-inclusive, residential sports facility.

We continued to establish the sportscotland National Sports Training Centre Inverclyde as an inclusive, residential sports facility. The Centre provides a unique set of facilities within Scotland and the UK, offering 60 fully accessible rooms with the capacity to accommodate up to 120 athletes of all ages and abilities.

During 2018-19, we welcomed 16 SGBs and clubs from across 12 sports. We provided a residential experience for 62 mainstream and ASN schools from across Scotland, delivering 6,845 participant days to 2,481 distinct pupils. We also engaged the third sector and worked with a range of charities to provide a venue for residential activity, including Who Cares? Scotland and The Aberlour Children's Charity. Our community engagement team continued to work with a wide range of customers, from toddler gymnastics classes through to Walking Football and Opportunities in Retirement (OIR).

We have introduced a new business development manager and a new customer services manager into the centre management team. Through these roles, we aim to explore new partnerships, build on the strong relationships we have with centre users and make progressive changes to cater to all levels of sport in an inclusive manner. Improvements this year have included:

- Creating a bespoke physiotherapy suite, connecting the physical preparation area with team changing facilities
- Developing hillwalking routes and recreation space across the estate
- Commencing work on a new outdoor synthetic world rugby surface which will enable rugby and football to be played under floodlights

Inverclyde investment

£15,000,000 total cumulative investment to date

£100,000 of total project budget remaining

2015-19 corporate review

We successfully completed and opened the **sportscotland** national sports training centre Inverclyde in April 2017, on time and on budget.

Since then, the Centre has provided a unique, inclusive, residential sports experience to a range of customers. These include: the local community; schools; sports clubs; SGBs; third sector organisations; and sports competitions and related events.

We used internal staff resources to lead the project. We provided dedicated specialist support across procurement, design and construction, performance space, legal, communications, HR and ICT. A key component of the successful project was the strong partnership developed between **sportscotland**, North Ayrshire Council and the new Largs Community Campus.

In the last two years, we have seen many previous customers return to the Centre as well as continued use by the local community. We also secured a range of new users including GB Boccia, Help for Heroes, the Amputee Football Association, the USA Olympic development squad, Scottish Rugby Union and the RYA. This is testament to Inverclyde's ability to cater to all levels of sport in an inclusive manner.

In addition to the main Centre, we improved the accessibility of the facilities around the estate including the outdoor tennis courts and the Weir indoor 3G pitch. We have also continued to develop general access to the 86-acre estate through safe walking routes, orienteering courses and bike trails.

Impact measure 12 – We will have contributed to the successful completion of the National Performance Centre for Sport and integrated it within our high-performance network.

Oriam, Scotland's Sports Performance Centre, continues to deliver a world class environment to the benefit of athletes, clubs, the community, SGBs and others.

Oriam continues to provide athletes and practitioners with a high-quality performance environment in which to train and work. Scottish Rugby, the Scottish FA and Edinburgh Rugby are now well established within the centre and are fully committed to using Oriam. The working relationship between all the stakeholders is positive and collaborative, which is critical to the success of Oriam as a high-performance environment for athletes.

We continue to strengthen the relationship between the **sportscotland** institute of sport and Oriam. We are committed to exploring how both organisations can continue to work together to grow and develop performance at the centre by adding further sports or by enhancing the range of facilities available.

Oriam investment

£26,460,000 final cumulative investment

£6,450,000 final external investment leveraged from partners

2015-19 corporate review

We supported the successful completion and opening of Oriam, Scotland's Sports Performance Centre, on time and on budget.

Since Oriam opened its doors in August 2016, it has continued to deliver a world class environment to the benefit of athletes, clubs, the community, SGBs and others. We developed a strong partnership with Heriot-Watt University which was a critical success factor in the completion of the project. Throughout the project, we provided substantial specialist support in design and construction, management, legal, planning and performance service delivery.

The **sportscotland** institute of sport (SIS) began delivering services to athletes and sports in September 2016. Shared usage with Oriam, Scottish Rugby and the Scottish FA has worked well and is beneficial to athletes and staff across all four organisations.

Oriam is now one of the key service delivery centres for the high-performance network across Scotland. We will continue to work with partners to ensure that the facility and the environment which it supports maintains Oriam's position as a leader in the provision of high-performance sport in Scotland.

Impact measure 13 – We will have made places for sport a more integral part of planning for sport, both locally and nationally.

We are committed to supporting partners to better connect planning for sport with planning for places for sport. This ensures facilities are considered and integrated across both local area plans and sport specific plans. sportscotland staff also support all partners to develop informed and effective strategic and operational plans.

Local partners

We continue to lead the development of strategies and strategic planning frameworks with local authority and leisure trust partners. We support the establishment of local cross-partner leadership groups. These comprise partners from across the Community Planning Partnership. Their role is to preside over planning, resourcing and accountability for the delivery of sport and physical activity priorities and outcomes. These priorities include the design and delivery of places where sport and physical activity take place, from capital projects to open and greenspaces.

We carried out a series of strategic meetings to establish partnership agreements with each local authority. Facilities and places for sport were a key component of these meetings. All 32 local authority partners now have places for sport embedded within their partnership agreements, with 11 identifying this area as a high-level priority.

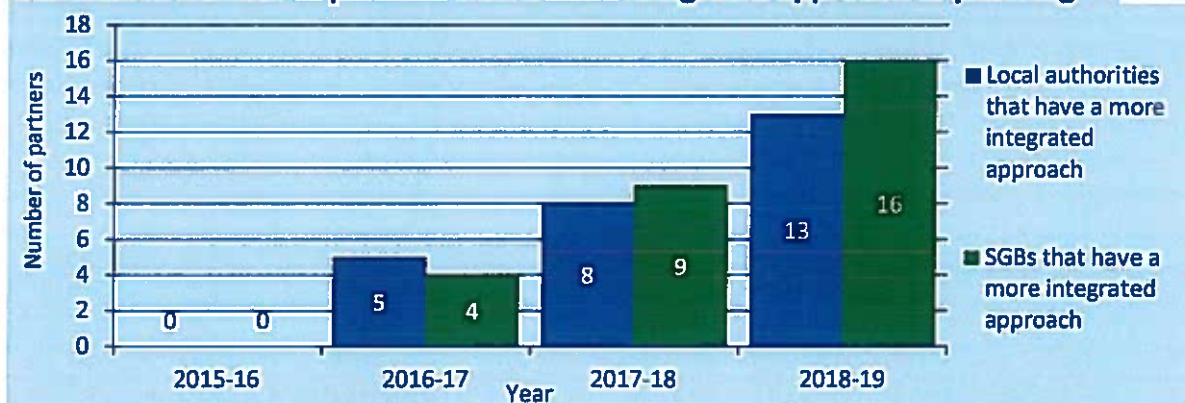
National partners

We continue to support SGBs through a 'pod' system. This approach sees the SGB partnership manager, coaching and volunteering partnership manager, high performance manager and facilities colleagues work together to support the sport and ensure places for sport are included within strategic and operational plans. Our facilities lead officers also directly support the SGB where specialist knowledge is required.

We invited 36 SGBs to a review process in autumn 2018. Of these, 13 demonstrated integrated planning that included facilities as well as sport development aspects. A further 10 partners indicated they planned to develop a facilities strategy within the coming year.

We amended our SGB review papers to include a section for comment on facilities and places for sport by the SGB 'pod'. This ensures analysis is captured and available for discussion at review meetings. We continued to include questions concerning facilities and places for sport within the SGB application form. This has allowed us to capture more detailed information and highlights the need for partners to consider facility requirements in their strategic and operational planning.

Cumulative number of partners with a more integrated approach to planning



2015-19 corporate review

We have supported 29 partners to integrate places for sport within their planning for sport since the start of our corporate plan.

We continued to lead the development of strategies and strategic planning frameworks local authority and leisure trust partners. We also established revised partnership agreements with all 32 local authority partners. We developed a 'pod' system where the SGB partnership manager, together with sportscotland staff from facilities, coaching and volunteering and high-performance, work to support SGB partners.

We implemented a systematic process to capture evidence of places for sport planning through SGB application forms and discussion at review panels. Through these developments, we have seen increased evidence of local and national partners connecting and integrating planning for places for sport within their local area plans and sport specific plans.

Impact measure 14 - We will have targeted our resources around the development of places for sport where they can have the greatest impact on participation and progression in sport.

We only invest in projects where applicants have clearly demonstrated how their projects will impact on participation and progression outcomes, and our priorities for improvement. Our updated Sports Facilities Fund (SFF), which was launched in April 2018, now better reflects our commitment to only invest in projects that deliver against these objectives as well as strengthening our focus on equalities and inclusion.

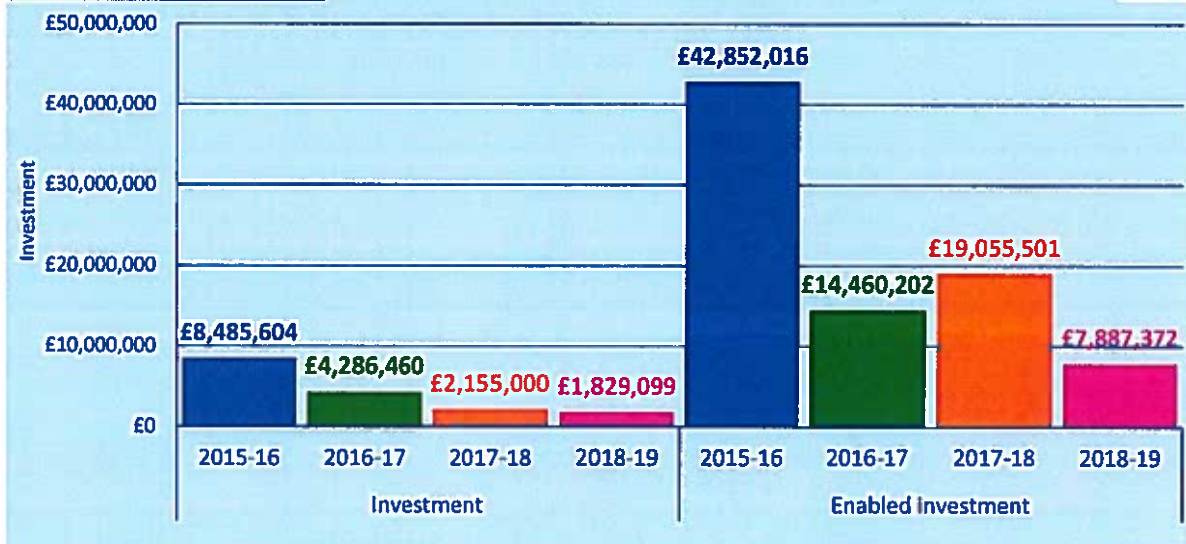
We will only invest in projects:

- In a schools and education environment when there is a clear link to clubs and use by the community
- In clubs and community projects where the impact and outcomes are clear, and the need is greatest

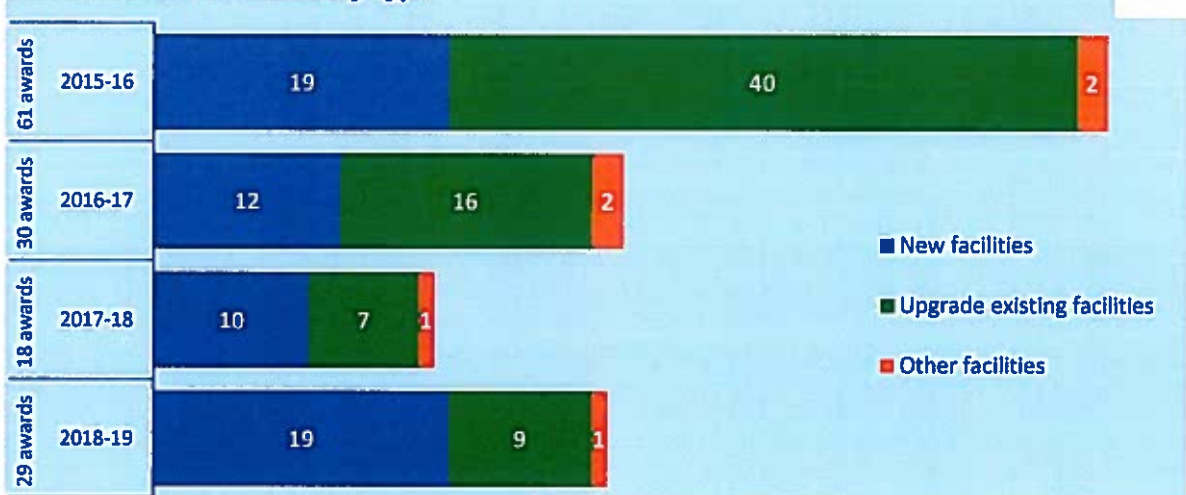
- In performance and national or regional projects when there is a strategic fit with an SGB.

We have now moved to two investment rounds per annum and have adopted a more collaborative approach, which draws on internal and external expertise. This approach has enhanced and strengthened our consideration of applications and ensures we are able to prioritise and target our available resources more effectively.

Investment in facilities



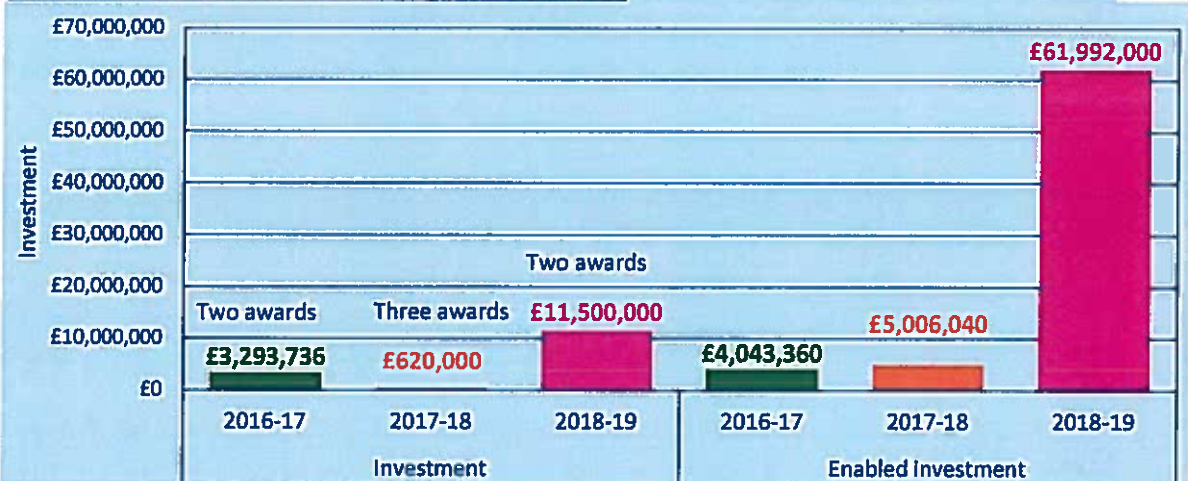
Investment in facilities by type



Investment in facilities by environment



Investment in national and regional facilities



7 awards made to assist national and regional projects, all of which supported an identified need within SGB performance plans¹⁷

2015-19 corporate review

We have awarded over £32,000,000, through 145 projects, since the start of our corporate plan.

In 2018, we launched our refreshed Sport Facilities Fund (SFF) to strengthen our focus on equalities and inclusion and better reflect our commitment to only invest in projects that impact on participation and progression in sport. All applicants are now also required to demonstrate that they have engaged the local community in their proposals and show how their proposals meet community need.

Our investment in projects through SFF has moved towards prioritising projects that:

¹⁷ 2018-19 – Two awards, 2017-18 – Two awards, 2016-17 – Three awards

- provide opportunities for people to get involved in sport and physical activity who share protected characteristics that are under-represented in sport;
- are located in, or serve, areas of deprivation¹⁸.

Whilst we created a new maximum award level of £100,000 for all project types, we recognised the financial challenges that many clubs and community organisations face. We increased our contribution to projects which are located in, or serve, areas of deprivation, from 70% to 75% of the project cost. We also removed the need for all applicants, except local authorities, to contribute to the cost of their project. This was previously 10% for projects in deprived areas and 25% for projects in non-deprived areas, which we recognised was difficult for many organisations to raise.

The overall reduction in the number of projects being approved reinforces our commitment to only invest in projects that meet the above requirements. We will continue to target our support and investment in the club and community environment in areas of greatest need.

Profile

You will see and hear about a range of sporting opportunities and be inspired by the success of Scottish sport.

Impact measure 15 – We will have celebrated Scottish sport, profiling a wide range of sports and the opportunities for all to get involved, progress and achieve.

We celebrate Scottish sport and highlight opportunities for all to get involved, progress and achieve across the sporting system. We do this through our communications channels, events and a digital-first approach.

We promoted a variety of events and campaigns across social media channels. Highlights include:

- Changing Lives Through Sport and Physical Activity fund
- **sportscotland** and Sunday Mail Scottish Sports Awards
- Scottish Sports Futures Awards
- 2018 European Championships in Glasgow
- BBC Unsung Hero awards
- **sportscotland** Coaching, Officiating and Volunteering Awards

¹⁸ Based on 20% most deprived communities, from the SIMD 2016

39 sports profiled through SportFirst, #sporthour, the sportscotland website and social media during 2018-19, up from **28** in 2017-18 and **21** in 2016-17

Gold Coast 2018 Commonwealth Games

We used the sporting medal success at the Gold Coast Commonwealth Games to connect back to the grassroots elements of Scotland's world-class sporting system. We ensured partners were kept informed of results and received all Team Scotland 'medal moment' information at the same time as it appeared on sportscotland digital channels or was issued to the media. This approach led to high levels of engagement both internally and externally. We were rated second, after the Commonwealth Games Federation, in a list of 15 organisations and sponsors which had the most visibility during the Games.

Active Girls Day

We led the fifth Active Girls Day on 5 October 2018. This celebrated the work going into girls' sport, the progress around girls' participation, and the role models making it happen. In the lead up, we promoted Active Girls Day through emails, our website and social media. We boosted posts on Facebook and Instagram to target relevant audiences.

On the day, we supported Ministerial visits to schools, clubs and hubs to share the work of our local and national partners to engage girls and women in sport and physical activity. Double the number of Ministers engaged compared to 2017. We also shared posts on social media about partner events. Members of the YPSP took over our Instagram for the day to highlight and promote activities running in their schools.

Lead the Way

We delivered Lead the Way, an event for young leaders in sport as part of Year of Young People 2018 celebrations. We welcomed nearly 100 young people from across the country to Hampden for a day of learning and development. This provided an opportunity to develop their leadership skills and a chance to network with other like-minded young leaders. Five young people supported the planning and organisation of the event and played a key role in the running of the day.

Sport First Digital Hub

We continued to build engagement with Sport First to tell the stories behind the world class sporting system to new, as well as existing, audiences. We publish content continuously and promote this via social media and digital marketing. This year we published 60 articles and have seen a 24% increase in new users (27,000) and a 48% increase in unique page views (74,000).

Collaboration with The National Lottery

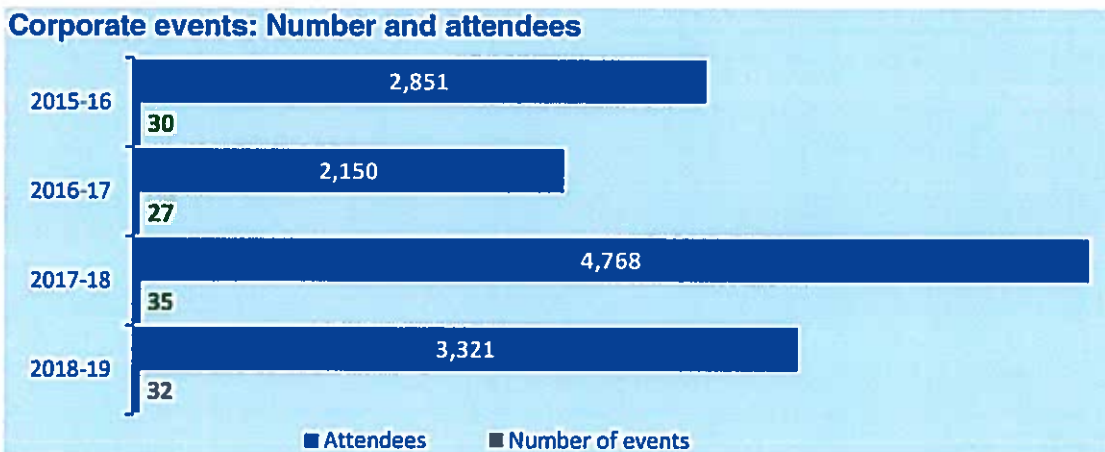
We worked closely with the National Lottery promotions unit in Scotland to create and promote stories about sport in Scotland. We supported the first athlete of the year category in the National Lottery annual awards and worked on both their

#ThanksToYou and #ThanksTayYou digital and social media campaigns. #ThanksTayYou is a specific campaign localised in Dundee and we provided additional support through case studies and filming in the area.

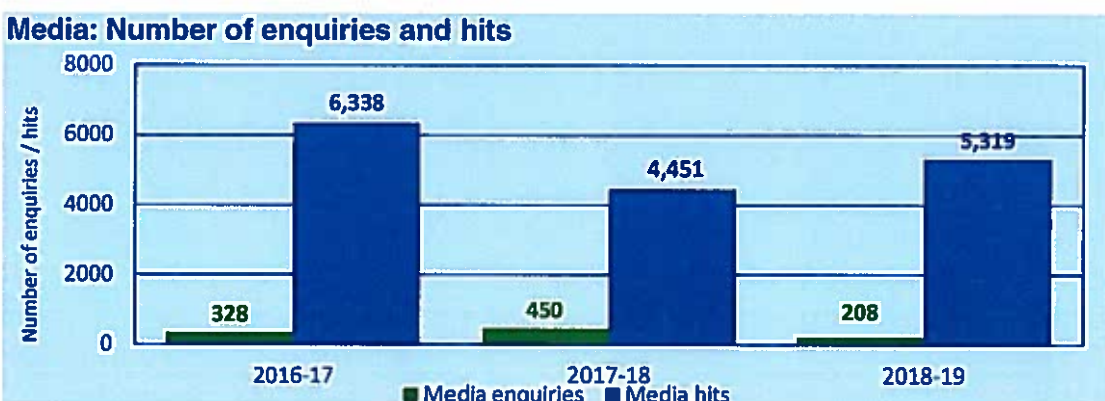
SGB digital communications training feedback¹⁹

We delivered three bespoke digital training sessions to SGB communications teams to increase their reach:

- **56 attendees from 30 SGBs**
- **70%** of respondents felt the event significantly increased their awareness of opportunities to raise the profile of their sport or SGB
- **83%** of respondents felt that the increase your reach training represented a useful networking opportunity

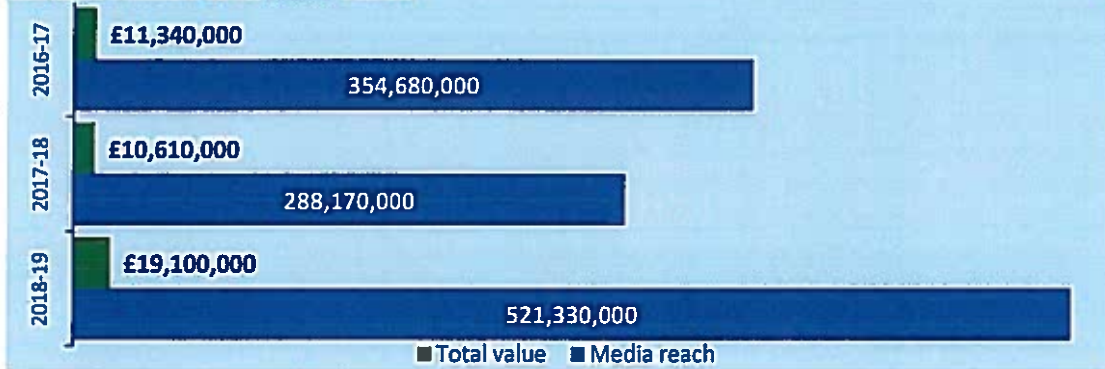


The decreased number of attendees at corporate events is a result of delaying seven regional network conferences from November 2018 until May 2019 to launch our new corporate strategy. We also supported a further 11 events through sponsorship.







¹⁹ N= 28 survey responses

Media: Reach and total value

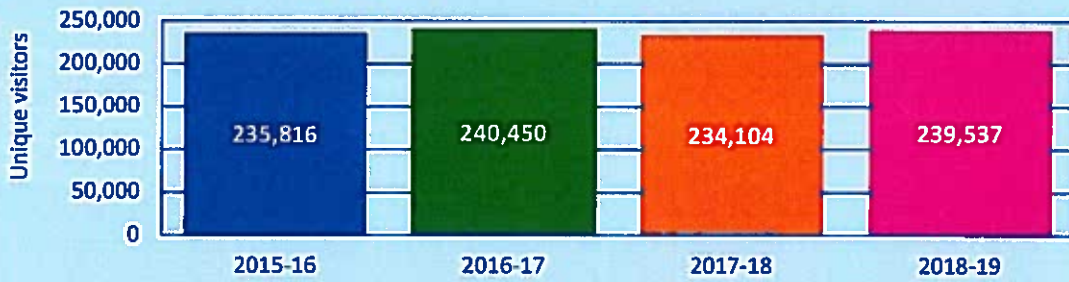


We implemented a revised media strategy with a key objective of increasing proactive media output and undertaking all media relations activity in-house. We have seen an increase in the reach and value of our media activity and a significant decrease in the number of reactive enquiries dealt with.

Social media

 Twitter			
2015-16	2016-17	2017-18	2018-19
1,468	1,847	1,912	1,790
Tweets			
7,123	10,324	15,221	17,968
Mentions			
-	-	206,282	127,301
Twitter total engagements			
.			
 Facebook			
2015-16	2016-17	2017-18	2018-19
-	25,164	31,142	33,473
Engagements			
-	-	457	461
Posts sent			
 Instagram		 LinkedIn	
2017-18	2018-19	2017-18	2018-19
116	410	30	86
Posts sent			
5,007	9,757	2,288	6,889
Engagements			

Visitors to sportscotland website



2015-19 corporate review

We delivered 124 corporate events, to over 13,000 attendees, since the start of our corporate plan.

We shifted the emphasis of our communications strategy to take a digital first approach to profile and celebrate Scottish sport to a wider audience. We redeveloped Sport First from a printed publication to a digital sport hub and launched to coincide with the 2016 Rio Olympics and Paralympics. This move has massively increased the reach of our communications activity, with almost 68,000 distinct users visiting the hub since 2016. We developed a Focus on Sports series to profile the range of sports in the sporting system. So far, we have shared in-depth profiles of more than 40 sports.

We introduced monthly communication themes to celebrate Scottish sport and demonstrate the breadth of activity across the world class sporting system. This has led to partners adopting the same monthly themes including SGBs, Scottish Sporting Future and the Scottish Government. We also launched #sporthour, a monthly Twitter conversation for the network about sport in Scotland. Each month we involved a member of the YPSP and an external co-host to debate the topic of the communications theme for that month.

We developed and established a key strategic relationship with the BBC through events like BBC Sportsound, the BBC Sports Personality of the Year awards and digital communications training for partners. Through Sportsound, we have taken the programme to 12 locations across Scotland, coaching approximately 500 pupils and welcoming over 600 people to participate as part of the programme audience. We also continue to work closely with the National Lottery promotions unit in Scotland to create and promote stories about sport in Scotland.

Impact measure 16 – We will have partners reporting positively that sportscotland has helped them understand the sporting system and work together to enhance it.

We aim to better equip partners to deliver against agreed outcomes and provide quality services for sport across Scotland. We do this through a dedicated team of partnership managers who work with local authorities, leisure trusts and SGBs to lead, direct and support the development of the sporting system.

We met with 41 SGBs to review the progress made over the previous two-year or four-year period and discuss their future strategies. We provided support from across the organisation to help sports to develop their outputs, outcomes and targets for future years, and ensure these are connected to the development and outcomes of the sporting system.

We delivered two sessions with SGB CEOs and senior staff to collectively reflect and feedback on the outputs they deliver that contribute towards the outcomes of the sporting system. These sessions involved looking at the differences within each sport in terms how they engage and connect with participants and how participation is maintained and developed over time.

We published several key research reports to help people understand the sporting system, including:

- • **An analysis of our contribution to the Active Scotland Outcomes Framework.**
- • **The Economic Importance of Sport 1998-2016**
- • **2018-19 Facilities Charges Survey**

We have continued to play a strong role in the National Strategic Group for Physical Activity and Sport. This group brings together key partners who have a role in physical activity. We have helped this group understand the contribution the sport sector makes, and we have pushed for more collaboration across different areas of physical activity.

We have used our short-term evaluation tool, impacts and interventions, to help our networks reflect on their practice and adopt a continuous improvement approach. Learning from Active Schools interventions helped facilitate an equalities session with Active Schools managers at a network development day.

We supported internal staff to effectively integrate both qualitative data, such as impacts and interventions, and quantitative data, such as number of members and coaches, into their meetings with partners. This mixed approach allows for a richer and more accurate understanding of partners' work and contribution to the wider sporting system. It also promotes evidence-based decision making.

We trained 96 people to help them use our data and provided video resources which were used over 360 times.

We established a Scottish Sport Communications Facebook group to share messaging and best practice. This has 88 members from communications teams across SGBs, local authorities and partner organisations.

2015-19 corporate review

We delivered a series of regional networking events to 1,368 people, to help them develop a greater understanding of the sporting system and how they can work together to enhance it.

These regional events brought together Active School coordinators and managers, sports development officers, community sport hub officers, SGB regional managers and PE lead officers from across Scotland, as well as **sportscotland** staff. In 2017-18, 80% of attendees reported the event helped them understand the sporting system, up from 69% in 2015-16. In 2017-18, 71% of attendees reported the event encouraged them to collaborate more in their role, up from 62% in 2015-16²⁰.

We asked SGB CEOs, Chairs and other lead staff for feedback on the support provided by **sportscotland** partnership managers. 88% of SGB respondents agreed or strongly agreed that partnership managers encouraged and built working relationships between their SGB and **sportscotland**

We published research to help people understand the sporting system, and work together. This covered subjects from equalities in sport or the economic importance of sport, to in depth evaluations of our programmes. We supported people to use this through promotion, events and training.

We introduced a new continuous improvement approach called impacts and interventions. This helps the network of staff we invest in tell us about what they are doing, and what's working. Partners reported they value this. They have used it for learning and for sharing examples of good practice.

We developed data analysis tools and ran workshops to help people use our data. The first round of workshops in 2016 reached 596 of our supported posts. We reached about 100 participants each year since then. We have moved to using videos to deliver this content. These have been used over 360 times in the last year.

²⁰ Please see appendix one for more detail

Review of the Financial Results for the Year

The accounts relate to the year ended 31 March 2019. Comparative figures are shown for the year to 31 March 2018 relating to **sportscotland** and the Trust Company. During the year **sportscotland** received grant-in-aid of £34,900k (2017-18 £30,650k). A further £6,003k (2017-18 £6,019k) was generated from its own activities, including through the trading operations of the Trust Company.

Of this £22,257k (2017-18 £20,468k) was released for sports development and capital grants, £20,903k (2017-18 £18,045k) was deployed on revenue expenditure and £726k (2017-18 £607k) on capital expenditure. A full summary is shown in the accompanying Notes to the Accounts. Under IAS 19, the accounting standard which stipulates that an entity must show its pension liability or asset, the Group now shows a pension liability of £13,520k (2017-18 liability of £6,163k). See Note 1.11, Note 15 and the Remuneration Report for full details.

Group pension liability

Please refer to the post retirement benefits accounting policy in the notes to the accounts.

Auditors - Remuneration for non audit services

The accounts are audited by auditors appointed by the Auditor General for Scotland. For the year 2018-19 the appointed auditors were Audit Scotland.

During 2018-19 no non-audit fees were paid to Audit Scotland.

Property, plant and equipment

During the year additions to property, plant and equipment amounted to £726k (2017-18 £607k).

Research and Development

During the year **sportscotland** invested £36k (2017-18 £58k) on research and development across a range of projects, to support the review and development of its range of investment programmes.

Payment of Creditors

In line with guidance the **sportscotland** Group has a policy to pay all authorised invoices not in dispute within 30 days or the agreed contractual terms if otherwise specified. The **sportscotland** Group aims to pay 100% of authorised invoices, including disputed invoices once the dispute has been settled, on time within these terms.

During the year ended 31 March 2019 the **sportscotland** Group paid 89% (2017-18 91%) of all authorised invoices received within the terms of its payment policy.

The Scottish Government policy of paying 100% of invoices within 10 days of being received by the Finance department continues to be our target; we currently pay all within 20 days.

The **sportscotland** Group observes the principles of the Better Payment Practice Code.

Retained Reserves

Accumulated funds totalling £13,921k (2017-18 £21,100k) were held on the Statement of Financial Position at the end of the year. [The movement between years is primarily driven by the change in the pension fund valuation in 2018-19.]

Sustainability

During the year **sportscotland** has led a number of key activities which will seek to reduce our carbon footprint.

A report is produced annually explaining in detail the outcomes of our activities and this can be viewed on the **sportscotland** website. www.sportscotland.org.uk



Stewart Harris
Chief Executive & Accountable Officer

28 August 2019

THE ACCOUNTABILITY REPORT

Corporate Governance Report

Directors Report

Members of the Council

The Members of the **sportscotland** Council at 31 March 2019, all of whom have been Members throughout the year, with the exception of those indicated otherwise, are listed below:

M Young (Chair)	
D Cameron	
G Walker	
F Wood	
C Riddell	
Prof L Robinson	(resigned 31 October 2018)
Prof C Mahoney	
C Grant	
H Ousta	(resigned 27 February 2019)
S Sandilands	
D Skinner	(left the Board 24 October 2018)
K U'ren	
M Campbell	(joined 26 June 2019)
S Lindsay	(joined 26 June 2019)
M Munro	(joined 26 June 2019)

F Wood and S Sandilands are representatives of the **sportscotland** Trust Company.

The Chief Executive is Stewart Harris.

A full list of the company directorships and other significant interests held by the Council members can be found on the **sportscotland** website at www.sportscotland.org.uk

Personal data related incidents

There were no personal data related incidents in the year.

Statement of Accountable Officer's Responsibilities

Under Article 15 of its Royal Charter for **sportscotland**, **sportscotland** is required to prepare a statement of accounts in the form and on the basis determined by Scottish Ministers. The accounts are prepared on an accruals basis and must show a true and fair view of the Group's state of affairs at the year end and of its income and expenditure and cash flows for the financial year.

In preparing the accounts **sportscotland** is required to:

- Observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that **sportscotland** will continue in operation.

The Accountable Officer for the Population Health Directorate has designated the Chief Executive of **sportscotland** as the Accountable Officer for **sportscotland**. His relevant responsibilities as Accountable Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accountable Officer Memorandum.

Statement that accounts are fair, balanced and understandable

So far as the Directors are aware, the annual reports and accounts as a whole are fair, balanced and understandable. The Accountable Officer confirms that he takes responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.

Statement as to disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information of which the body's auditors are unaware, and the Accountable Officer confirms that he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the body's auditors are aware of that information.

The Governance Statement

As Accountable Officer, I have responsibility for maintaining a sound system of internal control which supports the delivery of **sportscotland's** policies, aims and objectives, as set out by the Scottish Government Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me. Accordingly, I can confirm that adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and minimizing losses of funds were in place throughout 2018-19.

The system of internal control is designed to manage, rather than entirely eliminate the risk of failure to achieve our aims and objectives or adhere to all relevant directions and policies; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of **sportscotland's** policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The procedures have been in place throughout 2018-19 and have been reviewed during the year with a view to ensuring their effectiveness and improving their robustness.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and of the executive managers within **sportscotland** who have responsibility for the development and maintenance of the internal control framework. I receive a certificate of assurance from each executive director as part of this process. I am also informed by comments made by the external auditors, Audit Scotland in its Annual Report for 2017-18, and in its Annual Report for the current year, to those charged with Governance.

The key components of the control framework are detailed below:

sportscotland Council

At the start of the year, the Council had 12 non-executive members, being Ministerial appointments, one of which is appointed as Chair (non-executive).

All 12 non-executive members who held office during the year are considered by **sportscotland** to be independent in character and judgement, having no material relationship with the group. Council members are appointed by the Scottish Minister following a recruitment process managed by the Scottish Government with appointments normally being for an initial period of four years. Re-appointment for a further term (usually four years) is at the discretion of the Scottish Minister based on advice of the Chair of **sportscotland**.

The attendance of the 12 non-executive members who held office during the year of the six meetings of 2018-19 was:

M Young	(6 of 6) (Chair)
D Cameron	(6 of 6)
G Walker	(6 of 6)
F Wood	(6 of 6)
C Riddell	(4 of 6)
Prof L Robinson	(2 of 4) (Resigned 31 October 2018)
Prof C Mahoney	(4 of 6)
C Grant	(5 of 6)
H Ousta	(3 of 5) (Resigned 27 February 2019)
S Sandilands	(6 of 6)
D Skinner	(0 of 3) (Left the Board 24 October 2018)
K U'ren	(4 of 6)

The Council meets every two months and is responsible for the strategy, performance and the framework of internal control. The Council has a formal schedule of matters specifically reserved to it for decision. These include the approval of the annual business plan, annual financial statements, annual budget and other policies. All members receive an induction on joining the Council. A combination of tailored Council and Committee agenda items and other Council activities assist the members in continually updating their skills, knowledge and familiarity with the business which are required to fulfil their role both on the Council and on Council committees.

Responsibility for the day-to-day operational management of the sportscotland Group is delegated to the Chief Executive and his executive directors. To enable the Council to discharge its duties, all Council members receive appropriate and timely information. The Council papers are distributed by the Executive office at least one week before Council meetings.

Council Member Committees

The Council's standing committees have written terms of reference clearly setting out their authority and duties. There are four main Council Member committees – Audit and Risk Committee, the Group Remuneration and Succession Planning Committee, the Group Ethics Committee and the Financial Resources Committee, which was established in April 2017.

Audit and Risk Committee

Membership of the Audit and Risk Committee consists of five non executive Council members. The membership during the 2018-19 financial year is detailed below with their attendance record for the five meetings which took place during the financial year.

The Audit and Risk Committee receives periodic reports from the Internal Auditors concerning internal control and these are reported to the Council. sportscotland utilises a professional firm of accountants, BDO LLP, as its internal auditors, who operate to standards defined in the *Government Internal Audit Public Sector Standards*. BDO LLP submits regular reports, which include an independent opinion on the adequacy and effectiveness of sportscotland's systems of internal control, together with recommendations for improvement.

The committee reviews the corporate risk register on a regular basis and considers the impact of new risks, changes to existing risks and planned mitigation to reduce the impact of the risks identified.

The Committee receives reports from the Data Protection Officer regarding Subject Access Requests and Data Breaches and receives a summary of Freedom of Information Requests.

The Audit and Risk Committee considers the appointment and fees of the external auditors and discusses the scope of the audit and its findings. It also considers the appointment and fees of the internal auditors and discusses the planned timetable of activity and findings as well as ensuring that any agreed recommendations are followed up by management. The Committee is responsible for monitoring compliance with accounting and governance requirements and for reviewing the annual financial statements. The Committee was chaired by D Cameron.

D Cameron	(5 of 5) (Chair)
G Walker	(5 of 5)
Prof C Mahoney	(4 of 5)
Prof L Robinson	(0 of 4) (Resigned 31 October 2018)
C Riddell	(4 of 5)

Group Remuneration and Succession Planning Committee

The Group Remuneration and Succession Planning Committee has a role to oversee the annual staff Pay Remit, which is governed by the Scottish Government's Public Sector Pay Policy, and related activities concerning staff development and succession planning.

The Committee is also responsible for considering the application and impact of the Scottish Government's Public Appointments process for Board members and considering how these can be enhanced by sportscotland to ensure that a wide- ranging and diverse talent pool is accessed whenever Board appointments are required.

The Committee met twice during 2018-19. The Chair's remuneration is decided by the Scottish Government and thus he has no influence over his own pay award. Membership of the Remuneration and Succession Planning Committee during 2018-19 comprised:

G Walker	(2 of 2) (Chair)
C Grant	(2 of 2)
H Ousta	(0 of 1) (resigned 27 February 2019)
K U'ren	(1 of 2)

Group Ethics Committee

The Group Ethics Committee currently consists of three non executive Council members and is chaired by the sportscotland Chair, Mel Young. The membership during the 2018-19 financial year is detailed below.

The Ethics Committee considers business issues across the four areas of anti-doping, gambling and betting, fair play and child protection and advises the sportscotland Board on all issues related to these subjects and any actions required.

The Committee will meet according to need and as such it does not have a regular timetable. No meetings were held during 2018-19.

M Young (Chair)
F Wood
C Riddell

Financial Resources Committee

In recognition of the ongoing pressures on Government finances and the reduction in National Lottery income over the last 3 years, the **sportscotland** Board has established a Financial Resources Committee to explore potential additional sources of finance to invest in Scottish sport alternative to those provided by the Scottish Government and the National Lottery. The Committee is made up of 4 independent non-executive Board members, and 3 independent Trust Company board members, supported by senior members of the management team.

The Committee met for the first time in May 2017 and met twice during 2018-19. Membership of the Financial Resources Committee during 2018-19 comprised:

M Young	(2 of 2) (Chair)
C Grant	(2 of 2)
S Sandilands	(2 of 2)
G Walker	(1 of 2)
K Morrison	(2 of 2) (Trust Company)
P Woodman	(1 of 2) (Trust Company)

Information Security

During 2018-2019, threats to information security continued to evolve at pace. One emerging trend involved an increase in the frequency and sophistication of attempted phishing attacks, with many of these attacks attempting to gain access to an individual users' network/web application credentials.

sportscotland made a number of network improvements to counter this threat: with the introduction of Targeted Threat Protection on email, which reduces the likelihood of phishing email actually making it to users inboxes; the implementation of multi factor authentication, meaning that a compromised user name and password is not sufficient to gain unauthorised access to **sportscotland** systems and the introduction of cyber awareness training for **sportscotland** staff.

The Scottish Government issued a further draft of the Public Sector Action Plan on Cyber Resilience. This included a proposed self-assessment tool to aid public sector organisations gauge their own level of cyber readiness, as well as, improved guidance drawn from a number of existing cyber security standards. **sportscotland** continued to make incremental improvements to the organisations' information security and cyber resilience arrangements in line with the guidance and contributed feedback on the next iteration of the self-assessment tool.

On the 25 May 2018 the European Union introduced the General Data Protection Regulation (GDPR). This new legislation replaced previous data protection laws and was intended to improve the rights of EU citizens around how organisations collect, process and store their personal data. **sportscotland** spent 18 months preparing the organisation to be compliant with the new requirements of GDPR. The legislation mandates that all

organisations must have a named Data Protection Officer to oversee the other requirements of GDPR. The organisation Legal Officer was initially tasked with this role, however, a new post of Information Governance and Data Protection Officer is currently being recruited.

sportscotland also achieved Cyber Essentials Plus accreditation for the second year running. Cyber Essentials accreditation offers assurance to members of the public, partners and stakeholders that **sportscotland** has effective controls in place around five key areas of cyber resilience:

- boundary firewalls/secured Internet access;
- secure device configuration;
- user access control;
- malware/virus protection and
- appropriate software patch management.

In addition, **sportscotland** made a number of improvements the organisations' data disaster recovery infrastructure and also updated the Business Continuity Plan.

The organisation experienced no significant data security breaches during 2018-2019.

Internal Control

The Council Members acknowledge that they are responsible for the Group's system of internal controls and for reviewing the effectiveness of these controls. The Council Members have delegated the detailed design of the system of internal control to the executive directors who review the internal control framework on an on-going basis.

Monitoring of the system of internal control is included in the Terms of Reference for the Audit and Risk Committee and the committee is supported by the reporting of both the external and internal auditors.

Procedures have been developed to safeguard assets against unauthorised use or disposition and to maintain proper accounting records to provide reliable financial information both for internal use and for publication.

Best Value continues to be a focus in all areas of work within **sportscotland** and the continued communication of this principle supports all staff in its delivery.

More generally, the organisation is committed to a process of continuous development and improvement, including developing systems in response to any relevant reviews and developments in best practice.

Throughout 2018-19, **sportscotland's** Freedom of Information systems were fully operational and all requests received were completed within satisfactory timescales

System and process improvements

There has been an on going focus on system and process improvements which have included:

- the ongoing development of processes and further standard reports for the finance system as well as giving enhanced portal access to budget holders;
- the ongoing implementation of a new HR and payroll system;
- the ongoing implementation of regular reviews by the CEO with the Trust Company Centres and the development associated reporting for management;
- Upgrading of investment payment process for Facilities and documentation of the system;
- review of IT processes to ensure compliance with Scottish Government cyber resilience requirements; and
- ongoing implementation of GDPR.

The continued focus on applying an effective procurement process has resulted in cost savings, enhanced systems and more effective contract management. **sportscotland** continues to make use of the Scottish Government's framework agreements where possible in order to benefit from the commercial benefits that they can deliver.

Improving the sportscotland estate

Ownership of the **sportscotland** estates strategy lies with the Estates Programme Board, led by the Director of Corporate Services, and performance against its delivery is monitored quarterly. Associated site maintenance and development plans are established each financial year and progress reported in line with Strategic Management Team, Trust Company Board and **sportscotland** Board requirements. Each site nominates staff members to provide the information required for this process.

The strategy will be delivered through the implementation of a series of site specific building maintenance plans and individual capital projects which will be established on an annual basis (as part of the organisation-wide business and investment planning process), agreed by the Estates Programme Board and approved by the Strategic Management Team. Annual investment plans will form part of the overall budget plans considered by the **sportscotland** Board and the Trust Company Board.

Potential future developments are outlined in the strategy on a site-by-site basis and will be considered annually on an organisation-wide prioritised basis by the Strategic Management Team, as proposed by the Estates Programme Board, taking into account funding availability.

The National Centres' Principal and Head of Centre are responsible for the delivery of the actions as appropriate to their sites in line with the strategy. It is recognised that the delivery of the strategy and associated projects will require a range of appropriately skilled and knowledgeable people to be identified on an organisational, site by site and project by project basis.

Social, Community issues and human rights

sportscotland places a high priority on ensuring that it discharges its obligations as a good corporate citizen and takes in to account its responsibilities towards serving and meeting the needs of our partners including safeguarding their human rights. Operational policies and procedures reflect this commitment, including our approach to managing individual grant requests.

Risk Management

We achieve our risk management objectives by applying our risk management framework and process, which is designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. We review the risk management framework and process regularly. It was most recently updated in late 2015-16 using evidence from internal audit, internal consultation, and the Audit and Risk Committee.

During 2018-19 our risk management framework and process maintained internal controls through seven risk registers aligned to the portfolios in our 2017-19 business plan. Portfolio groups reviewed these quarterly and relevant risks were escalated to the corporate risk register. The portfolio and corporate risk registers are held in Pentana, our corporate performance management system.

The corporate risk register is reviewed by the sportscotland Board annually, and the Audit and Risk Committee every six months. The outcomes of these meetings provide control strategies and mitigation for risks rated high. Significant risks are those that are still rated high after mitigating actions have been put in place and these risks are monitored by the Senior Management Team and Board.

Remuneration and Staff Report

Remuneration policy

sportscotland operates a Performance and Development Review (PDR) system to determine the individual rewards paid to all employees along with senior managers and directors. All pay awards continue to require ministerial approval.

The Chief Executive, S G Harris, is appraised by the Chair with a full report given to the Scottish Government. Any performance related payments paid would be formally approved by the Scottish Government. All directors are appraised through the PDR system by the Chief Executive.

All executive directors' employment contracts are open ended, have three month notice periods and the redundancy policy is the payment of one month's salary for every year of service.

Salaries and Allowances

The salary and pension entitlements of the most senior members of the sportscotland Group are as follows. The total figure has been audited as part of the annual audit review:

Name		Salary	Benefits	All pension related benefits	Total
DIRECTORS		£000's	£000's	£000's	£000's
S G Harris	2019	105-110	-	12.5-15	117.5-120
	2018	100-105	-	(35)-(37.5)	62.5-65
S Ogg	2019	65-70	-	52.5-55	122.5-125
	2018	85-90	-	(5)-(7.55)	80-82.5
M Roberts	2019	85-90	-	25-27.5	112.5-115
	2018	85-90	-	(2.5)-(5)	80-82.5
M Whittingham*	2018	85-90	-	*	*
	2017	85-90	-	*	*

Note: S Ogg retired 31/1/19

BOARD MEMBERS

M Young	2019	15-20	-	-	15-20
	2018	15-20	-	-	15-20
D Cameron	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
G Walker	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
F Wood	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
C Riddell	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
Prof L Robinson	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
C Grant	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
H Ousta	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
S Sandilands	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5
K U'ren	2019	0-5	-	-	0-5
	2018	0-5	-	-	0-5

Directors' Pension Entitlements

Name	Real Increase in pension during the year	Real Increase in lump sum during the year	Total Accrued Pension	Total Accrued Lump sum	Cash equivalent transfer value 2019	Cash equivalent transfer value 2018	Real Increase in Cash Equivalent Transfer Value
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
S G Harris	1	(3)	50	112	859	942	(83)
M Roberts	2	-	19	10	235	205	30

Note: S G Harris was previously enrolled in the Scottish Teachers Superannuation Scheme, and the pension benefits table therefore reflects the transfer value for that scheme as well as Strathclyde Pension Fund. M Whittingham is not in a final salary scheme and company contributions of £17k (2017-18, £17k) were made to a defined contribution scheme. S Ogg retired as at 31 January 2019 and so has no movements or accruals at the year end.

Fair Pay Disclosure

The median remuneration for **sportscotland's** staff is £34,100 (2017-18 - £33,106).

The ratio between the median staff remuneration and the mid-point of the banded remuneration of the highest paid director is 3.07 (2017-18 3.10), as at the reporting period end date

Pay for **sportscotland** employees, excluding the highest paid Director, ranges between £17,000 and £95,000.

All salaries shown are the gross salaries paid by the **sportscotland** group. All salaries are split between the **sportscotland** Lottery Fund and **sportscotland** through a process that assesses every employee and their split of work between the two companies.

The split for the **sportscotland** Lottery Fund during 2018-19 was 45% (2017-18 45%) with the balance, 55% (2017-18 55%), being funded from Scottish Government resources.

The Chair, Mel Young is remunerated through **sportscotland** and no recharges to the **sportscotland** Lottery Fund take place therein.

Remuneration is paid to council members at the rate of £168.30 for each meeting attended, along with an £84.15 payment for preparation for a board meeting. Attendance at Committee meetings are paid at the same rate.

sportscotland operates a car leasing scheme for essential users. Payments made during 2018-19 were £412k (2017-18 £399k).

sportscotland made payments of £6k to consultants during 2018-19 (2017-18 £10k).

Staff report

A breakdown of the number of persons by gender who were part of the Boards at sportscotland, its Directors, Senior Managers and employees (including internships) as at the reporting period end date is as follows:-

	Men	Women
Boards	8	11
Directors	4	0
Senior Managers	12	6
Employees	185	159

Total staff costs comprise

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Wages and salaries	9,451	8,146	6,296	5,187
Social security costs	894	809	623	550
Pension costs	4,382	2,965	3,295	2,112
Aggregate staff costs	14,727	11,920	10,214	7,849

All employment contracts are within sportscotland and relevant amounts have been recharged to the Trust Company and Lottery accounts.

We are currently unable to provide an accurate split between permanent, temporary and agency staff, but expect to resolve this in the coming year.

Reporting of Civil Service and other compensation schemes – exit packages

Exit package band	2019	2019	2019	2018
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
<£10,000	-	1	1	1
£10,000 - £25,000	-	-	-	3
£25,000 - £50,000	-	3	3	9
>£50,000	-	-	-	1
Total number of exit packages	-	4	4	14
Total resource cost (£000)	-	108	108	458

Exit costs are accounted for in full in the year of departure.

Sickness absence rate

Sickness absence rate during the year was 0.98% (2017-18 1.38%)

Equal Opportunity in Employment and Disabled Employees

sportscotland actively promotes policies for equal opportunities and to ensure non-discrimination on the grounds of any protected characteristic in accordance with the Equality Act 2010.

Employee Involvement

sportscotland involves employees in decisions which may affect their welfare through its Joint Consultative Committee which brings together representatives from Management and Trade Unions on matters relating to employee terms and conditions.

Staff policies applied during the year

sportscotland is committed to developing excellent management and leadership to ensure the organisation has clarity of purpose, is able to promote and accommodate change, ensure its resources are deployed in the most effective manner and shows a strong commitment to empowering managers and staff, achieving efficient operational delivery, promoting continuous improvement and achieving meaningful impact.

People Management is a critical element of this and we have been working in partnership with ACAS to review and develop workshops on all employee relations policies and processes i.e. Attendance Management, Capability, Disciplinary and Grievance to support our managers in their roles as People Managers. Workshops will be rolled out during 2019/20.

Parliamentary Accountability and Audit Report

Regularity of expenditure

sportscotland is principally funded by the Scottish Government and by the National Lottery.

Scottish Government funding for 2018-19 was confirmed in the Grant-in-Aid allocation and monitoring letter from the Population Health Improvement Directorate of the Scottish Government. The letter confirms that use of resources must be in accordance with Ministerial priorities as set out in the Strategic Guidance letter (2018-2021), the agreed corporate and business plans, sportscotland's framework document (which deals with corporate management matters and the application of non-lottery funds) and relevant guidance issued by the Scottish Ministers, in particular the Scottish Public Finance Manual.

Ministerial priorities for sport and physical activity for 2018-21, as set out in the Strategic Guidance Letter, include:

- Impact against the 6 outcomes contained within the Active Scotland Outcome Framework;
- Steps planned or in place to:
 - provide support to disadvantaged groups and communities;
 - expand the reach to the inactive and underrepresented in sport, including teenage girls and older people through more innovative and creative community based approaches; and
 - empower communities to address inequality.
- An update on delivery of the specific manifesto commitments:
 - Community involvement in decisions about community facilities;
 - 200 Community Sports Hubs by 2020;
 - Supporting sports governing bodies efforts to end LGBTI discrimination;
 - Delivering a network of regional sports centres around the country;
 - Increase the participation, engagement, and promotion of women in sport;
 - support the delivery of two hours of quality PE for children at school;
 - supporting the "Daily Mile" beyond the school setting;
 - promoting the benefits of sport and physical activity on mental health; and
 - helping to make sure major sporting events are successful.

National Lottery funding for 2018-19 is administered in accordance with directions received from Scottish Government, in compliance with the National Lottery etc. Act 1993, as amended by the National Lottery Act 1998.

- Policy Directions issued to sportscotland under Section 26A(1)(A) of the National Lottery etc. Act 1993 as amended by the National Lottery Act 1998.

This sets out what sportscotland must consider in terms of the need to ensure that money is distributed under section 25(1) for projects that promote the public good and which are not intended primarily for private gain, and the need to ensure that money is distributed under section 25(1) to projects that make real and sustainable improvements to the quality of life of the people of Scotland. It also confirms the

need to promote access to sport and physical recreation for people from all sections of society, the need to promote health benefits, knowledge of, and interest in, sport by children, young people and adults, and the need to continue increasing participation and performance in Scottish sport and physical recreation.

- Financial Directions issued to **sportscotland** under Sections 26(3), (3A) and (4) as read with section 26(1)(a) of the National Lottery etc. Act 1993

sportscotland has to comply with the Statement of Financial Requirements set out in this document. **sportscotland** must operate within the principles of administrative law and must operate a system of internal controls to manage risk to a reasonable level to the achievement of policies, aims and objectives. It must also follow the guidance on applications, payments of grants and monitoring and evaluating projects.

The Chief Executive of **sportscotland** is designated as the Accountable Officer for the Lottery funds under **sportscotland**'s control and for signing the accounts for **sportscotland**'s Lottery distribution activities.

- Accounts Directions issued to **sportscotland** under Sections 35(3) of the National Lottery etc. Act 1993 direct that **sportscotland** shall prepare accounts in compliance with the accounting principles and disclosure requirements of the Government Financial Reporting Manual.

Fees and charges

The Scottish Sports Council Trust Company (a subsidiary of the Scottish Sports Council and part of the consolidated Group) receives revenue for the following income streams, split by centre, as follows:

	Inverclyde	Cumbrae	Glenmore Lodge	2019
	£000	£000	£000	£000
Course Fees	846	486	994	2,326
Hires, Sales & Hospitality	532	67	645	1,244

Course fees represent income from a wide selection of courses, ranging from beginners courses in sailing and mountain skills to key "train the trainer" courses for industry expert qualifications. As a result, the course range and frequency is driven by a number of considerations, including commercial demand and the requirement to ensure that certain key industry qualifications are always available

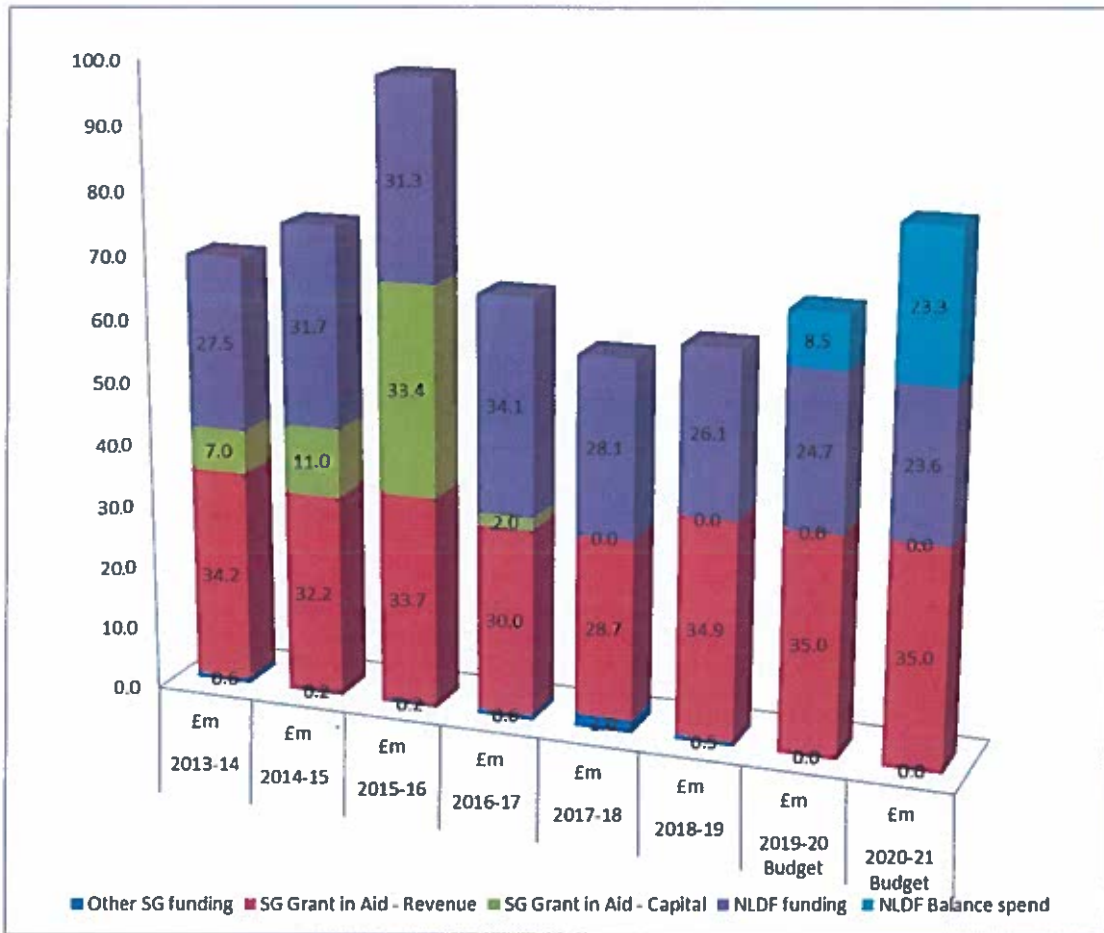
Hire, sales and hospitality income principally refers to hire of sporting facilities at Inverclyde and income from food, drink and accommodation at the three national centres.

Contingent Liabilities

No contingent liabilities were recorded as at 31 March 2019.

Long-term expenditure trends

sportscotland's expenditure is driven by the funding provided by the Scottish Government (SG) through grant-in-aid and by the National Lottery distribution fund (NLDF). We set out below the funding received from these two entities over the last 6 years, together with the budget for 2019-20 and 2020-21:



Note: SG Funding for 2019-20 is based on a current Grant in Aid letter. SG Funding for 2020-21 will not be known until later in 2019 and so the value for 2019-20 has been used as an indicative amount. NLDF Funding for 2019-20 and 2020-21 is based on forecast revenue in those years. NLDF Balance spend represents planned capital spend and use of balance to support planned investment.

Stewart Harris
Chief Executive & Accountable Officer
28 August 2019

Independent auditor's report to the members of Scottish Sports Council, the Auditor General for Scotland and the Scottish Parliament

Report on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Sports Council (the Council) and its group for the year ended 31 March 2019 under Article 15 of the Royal Charter of the Scottish Sports Council (the Royal Charter). The financial statements comprise the Group Statement of Comprehensive Net Expenditure, the Group Statement of Changes in Taxpayers' Equity, the Group Statement of Financial Position, the Group Statement of Cash Flows, and notes to the accounts, including a statement of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2018/19 Government Financial Reporting Manual (the 2018/19 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers of the state of the affairs of the body and its group as at 31 March 2019 and of the net expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 FReM; and
- have been prepared in accordance with the requirements of Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 26 January 2018. This is the second uninterrupted year of my appointment. I am independent of the body and its group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the body has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about its ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Accountable Officer Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines 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 Accountable Officer is responsible for assessing the ability of the body and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My 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 my 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.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skillfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other information in the annual report and accounts

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration and Staff Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Auditor General for Scotland to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual report and accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material

misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Report on other requirements

Opinions on matters prescribed by the Auditor General for Scotland

In my opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers.

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

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

A handwritten signature in black ink that reads "Carole Grant". The signature is written in a cursive style with a large initial 'C'.

Carole Grant
Senior Audit Manager
Audit Scotland, 4th Floor, 8 Nelson Mandela Place, Glasgow, G2 1BT
29 August 2019

sportscotland

**Group Statement of Comprehensive Net Expenditure
for the year ended 31 March 2019**

	Notes	Group		sportscotland	
		2019 £000	2018 £000	2019 £000	2018 £000
Income					
Income from Activities	2	3,721	3,553	-	-
Other operating income	2	2,282	2,466	2,080	2,466
		6,003	6,019	2,080	2,466
Expenditure					
Trust Company Funding	3	-	-	3,824	3,794
Sports development and capital grants	3	22,257	20,468	22,257	20,468
Staff costs	4	14,727	11,920	10,214	7,849
Other operating charges	5	6,176	6,125	1,977	2,472
		43,160	38,513	38,272	34,583
Net Expenditure		(37,157)	(32,494)	(36,192)	(32,117)
Interest receivable		23	9	23	7
IAS 19 interest	15	(201)	(463)	(167)	(379)
Gain on disposal of assets		-	-	-	-
Net Expenditure after interest		(37,335)	(32,948)	(36,336)	(32,489)
Corporation tax	20	(5)	(2)	(5)	(2)
Net Expenditure after taxation		(37,340)	(32,950)	(36,341)	(32,491)
Other Comprehensive Income / Expenditure					
Gain/Loss on revaluation of assets	12	(350)	-	(350)	-
Actuarial gain/(loss)	15	(4,389)	12,218	(3,654)	9,910
Total Comprehensive Net Expenditure		(42,079)	(20,732)	(40,345)	(22,581)

All the results of the group relate to continuing operations

The notes to the accounts form part of these financial statement

sportscotland

**Group Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2019**

2019

Group	General Fund	Revaluation reserve	Other Reserve	Pension Reserve	Total
	£,000	£,000	£,000	£,000	£,000
Opening Balance	26,198	802	263	(6,163)	21,100
Net expenditure after taxation	(37,340)	-	-	-	(37,340)
Net loss on asset revaluation	(350)	-	-	-	(350)
Remeasurement of Pensions	2,968	-	-	(7,357)	(4,389)
Transfers from reserves	569	(350)	(219)	-	-
Grant in Aid	34,900	-	-	-	34,900
Revaluation Reserve Adjustment	452	(452)	-	-	-
Closing Balance	27,397	-	44	(13,520)	13,921

2018

Group	General Fund	Revaluation reserve	Other Reserve	Pension Reserve	Total
	£,000	£,000	£,000	£,000	£,000
Opening Balance	27,979	802	867	(16,418)	13,230
Net expenditure after taxation	(32,950)	-	-	-	(32,950)
Net loss on asset revaluation	-	-	-	-	-
Remeasurement of Pensions	1,963	-	-	10,255	12,218
Transfers from reserves	604	-	(604)	-	-
Grant in Aid	30,650	-	-	-	30,650
Deferred Income adjustment	(2,048)	-	-	-	(2,048)
Closing Balance	26,198	802	263	(6,163)	21,100

2019

sportscotland	General Fund	Revaluation reserve	Other Reserve	Pension Reserve	Total
	£,000	£,000	£,000	£,000	£,000
Opening Balance	3,080	802	-	(5,096)	(1,214)
Net expenditure after taxation	(36,341)	-	-	-	(36,341)
Net loss on asset revaluation	(350)	-	-	-	(350)
Remeasurement of Pensions	2,375	-	-	(6,029)	(3,654)
Transfers from reserves	350	(350)	-	-	-
Grant in Aid	34,900	-	-	-	34,900
Revaluation Reserve Adjustment	452	(452)	-	-	-
Closing Balance	4,466	-	-	(11,125)	(6,659)

2018

sportscotland	General Fund	Revaluation reserve	Other Reserve	Pension Reserve	Total
	£,000	£,000	£,000	£,000	£,000
Opening Balance	3,395	802	-	(13,480)	(9,283)
Net expenditure after taxation	(32,491)	-	-	-	(32,491)
Net loss on asset revaluation	-	-	-	-	-
Remeasurement of Pensions	1,526	-	-	8,384	9,910
Transfers from reserves	-	-	-	-	-
Grant in Aid	30,650	-	-	-	30,650
Closing Balance	3,080	802	-	(5,096)	(1,214)

The notes to the accounts form part of these financial statements


Group Statement of Financial Position at 31 March 2019

	Notes	Group		sportscotland	
		2019 £000	2018 £000	2019 £000	2018 £000
Non-current assets					
Property, plant and equipment	6	26,331	26,312	1,037	1,128
Investment property	6	2,450	2,800	2,450	2,800
Intangible Assets	7	26	36	26	18
Total non-current assets		28,807	29,148	3,513	3,946
Current assets					
Inventories	8	29	161	-	-
Trade and other receivables	9	1,228	858	1,260	743
Cash and cash equivalents	21	1,427	1,386	1,084	1,103
Total current assets		2,684	2,405	2,344	1,846
Total assets		31,491	31,553	5,857	5,792
Current Liabilities					
Trade and other payables	10	(2,296)	(2,357)	(1,273)	(1,795)
Total current Liabilities		(2,296)	(2,357)	(1,273)	(1,795)
Total assets less net current liabilities		29,195	29,196	4,584	3,997
Non-current liabilities					
Creditors over 1 year		(1,636)	(1,818)	-	-
Pension liability	15	(13,520)	(6,163)	(11,125)	(5,096)
Provisions	11	(118)	(115)	(118)	(115)
Total non-current liabilities		(15,274)	(8,096)	(11,243)	(5,211)
Assets less liabilities		13,921	21,100	(6,659)	(1,214)
Taxpayers' equity					
General fund excluding pension reserve	13	27,397	26,198	4,466	3,080
Revaluation reserve	12	-	802	-	802
Other reserves	14	44	263	-	-
Pension reserve	15	(13,520)	(6,163)	(11,125)	(5,096)
		13,921	21,100	(6,659)	(1,214)

The Accountable Officer authorised these financial statements for issue on 28 August 2019



Stewart Harris
Chief Executive & Accountable Officer



Mel Young
Chair

The notes to the accounts form part of these financial statements

Group Statement of Cash Flows for the year ended 31 March 2019

	Notes	Group		sportscotland	
		2019 £000	2018 £000	2019 £000	2018 £000
Cash flows from operating activities					
Net operating cost before Scottish Government funding		(37,690)	(32,950)	(36,691)	(32,491)
Adjustment for non-cash items					
IAS 19 adjustments	15	2,968	1,963	2,375	1,526
Depreciation of property, plant and equipment	6	707	697	102	121
Revaluation of property	6	350	-	350	-
Impairment of Assets	6	-	7	-	-
Amortisation of intangible fixed assets	7	27	13	9	9
Movements in working capital					
(Increase) / decrease in inventories	8	132	4	-	-
(Increase) / decrease in trade and other receivables	9	(370)	(313)	(517)	(300)
Increase / (decrease) in trade payables	10	(243)	(681)	(522)	(734)
Movements in provisions					
Increase/(Decrease) in provisions	11	3	5	3	5
Other					
Cash movement in reserves	13	-	(230)	-	-
Net cash outflow from operating activities		(34,116)	(31,485)	(34,891)	(31,864)
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(726)	(606)	(28)	(56)
Purchase of intangible assets	7	(17)	-	-	-
Net cash outflow from investing activities		(743)	(606)	(28)	(56)
Scottish Government funding for year		34,900	30,650	34,900	30,650
Net increase /(decrease) in cash and cash equivalents	16	41	(1,441)	(19)	(1,270)
Cash and cash equivalents as at 1 April 2018		1,386	2,827	1,103	2,373
Cash and cash equivalents as at 31 March 2019		1,427	1,386	1,084	1,103

The notes to the accounts form part of these financial statements

Notes to the accounts

1 Statement of accounting policies

1.1 Basis of preparation

sportscotland holds controlling voting rights in the Trust Company, a charity, and it exercises financial control over the affairs of the Trust Company. The Group accounts combine the accounts of sportscotland and the Trust Company.

1.2 Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain non-current assets. The financial statements have been prepared in accordance with International Financial Reporting Standards, the financial memorandum of sportscotland, the requirements of the Accounts Direction issued by Scottish Ministers and the Government Financial Reporting Manual. A copy of the accounts direction is attached to these accounts.

The financial statements are prepared on the going concern basis, which provides that the organisation will continue in operational existence for the foreseeable future.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements except as noted below.

Comparative figures shown relate to the year to 31 March 2018.

The format of the financial statements have been amended to ensure compliance with the FReM.

1.3 Going concern

In common with similar public bodies, the future financing of sportscotland's liabilities will be met by future grants in aid approved by the Scottish Parliament. The approval for amounts for 2019/20 has already been given and there is no reason to believe that future approvals will not be forthcoming. We have accordingly considered it appropriate to adopt a going concern basis for the preparation of these financial statements.

1.4 Revenue recognition

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

1.5 Property, plant and equipment and depreciation

Land and buildings together with related equipment at the National Centres are provided by sportscotland. These assets are capitalised in these financial statements at the original cost to sportscotland. Land and Buildings are adjusted for subsequent revaluations, carried out by the Valuation Office Agency, normally as a desk exercise every 3 years with a full revaluation every 5 years.

Notes to the accounts (cont'd)

Assets bought using funds generated by the operations of the Trust Company are treated as owned by the Trust Company. Long leasehold land and buildings are shown at their most recent valuation plus any

additions at cost. Other fixed assets are valued each year by reference to their cost less straight line depreciation. Revaluation movements on Land and Buildings provided by sportscotland are accounted for in the Capital Contribution Reserve of the Trust.

Assets with a value of less than £2,000 are not capitalised.

Other than for land and property, we elected to adopt a depreciated historical cost basis as a proxy for current value in existing use for fair value of assets.

Depreciation is provided on all tangible fixed assets, other than land, on a straight line basis, as follows:

Buildings	50 years
Fixtures and fittings	5 years
Equipment	4 years
Motor Vehicles	4 years

Depreciation is only provided for in the year of acquisition if the asset is purchased prior to 30 September. No depreciation is provided in the year of disposal.

The finance team are advised of any assets that have been disposed during the year and this is backed up by the annual Asset Audit check which entails visiting the Group estate and checking the accuracy of the Fixed Asset register by verifying the location and condition of all assets.

Where an asset is held under a finance lease, depreciation is provided over the shorter of the lease term and the policy for the class of assets concerned.

Depreciation is charged to the Statement of Comprehensive Net Expenditure on the revalued amount of the relevant assets. An element of the depreciation arises from the increase in valuation and is in excess of the depreciation that would be charged on the historic cost of the relevant assets. The amount relating to this excess is the realised gain on revaluation and is transferred from the revaluation reserve to the general fund.

1.6 Intangible Assets

Intangible assets are valued at cost less straight line amortisation, the cost being amortised over four years.

Future economic benefit has been used as the criteria in assessing whether an intangible asset meets the definition and recognition criteria of IAS 38 where assets do not generate income. IAS 38 defines future economic benefit as 'revenue from the sale of products or services, cost savings or other benefits resulting from the use of the asset by the entity'.

Notes to the accounts (cont'd)

1.7 Other income

All other income is determined net of trade discounts, VAT and other similar taxes.

1.8 Inventories

Inventories are stated at the lower of cost and net realisable value which is based on estimated selling price. Costs of producing free issue publications are written off to the Statement of Comprehensive Net Expenditure in the year of purchase.

1.9 Taxation, including deferred taxation

sportscotland is assessed to corporation tax, annually, based on bank interest and rental incomes received. The small companies' rate of corporation tax applies to the taxable profits.

1.10 Grants

Financial assistance by way of grants may be given by sportscotland to any person or organisation in furtherance of the objects of sportscotland. Grants are charged to the Statement of Comprehensive Net Expenditure on the basis of actual payments made.

1.11 Post-retirement benefits

All members of staff have the option of joining the Strathclyde Pension Fund (SPF). Existing employees are entitled to maintain their membership of the Scottish Teachers Superannuation Scheme (STSS).

STSS

sportscotland participates in the STSS pension scheme providing benefits based on career average earnings. The assets of the scheme are held separately from those of sportscotland. sportscotland is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by IAS 19 "Employee Benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Net Expenditure represents the contributions payable to the scheme in respect of the accounting period.

SPF

The SPF is a pension scheme providing benefits based on career average earnings. The assets and liabilities of the scheme are held separately from those of sportscotland. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of changes in taxpayers' equity, actuarial gains and losses.

Notes to the accounts (cont'd)

1.12 Research and development

Research costs are written off as incurred and not carried forward as an asset.

1.13 Leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Net Expenditure in the year to which the invoice relates.

1.14 Lease rentals

Lease rentals due from the Trust Company in respect of assets owned by sportscotland and leased to the Trust Company are on a 'peppercorn' rent.

1.15 Lottery salary recharges

All employment contracts are within sportscotland and the relevant amounts are charged to the sportscotland Lottery Fund. All salary costs, except relocation and redundancy costs, are split between the sportscotland Lottery Fund and sportscotland through an annual budgeting process that assesses every employee and their split of work between the two companies.

1.16 Government grants

During 2006/07 the Government Financial Reporting manual was amended to require NDPBs to treat grant-in-aid received for revenue purposes as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence to account for them as financing, i.e. by crediting them to the General Fund.

Grant-in-aid received to purchase specific fixed assets is credited to a Government Grant Reserve and released to the Statement of Comprehensive Net Expenditure over the expected useful life of the relevant assets. Grant-in-aid received to purchase general fixed assets is credited to the General Fund.

1.17 Investments

Investment properties are revalued annually and included in the Statement of Financial Position at fair value represented by market value.

1.18 Accounting Standards that have been issued but have not yet been adopted

All applicable accounting standards have been applied in the current year.

The implications of IFRS 16 Leases are being reviewed to prepare for implementation in the following year as noted below.

IFRS 16 Leases

1. IFRS 16 Leases will replace IAS17 Leases and related interpretations. The effective date is 1 January 2020 and will be applied in UK Public Sector from 1 April 2020, therefore financial year 2020/21.
2. IFRS 16 brings a significant change in lessee accounting by removing the distinction between operating and finance leases and introducing a single lessee

Notes to the accounts (cont'd)

accounting model. The model requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

3. The impact for sportscotland is that all operating leases will be capitalised and treated similarly to the current finance leases. Discount rates will be supplied by HM Treasury in the annual PES papers which will be used by sportscotland as sportscotland does not have an incremental borrowing rate.
4. All entries applying the FReM shall recognise the cumulative effects of initially applying IFRS 16, recognised at the date of initial application, as an adjustment to the opening balances of taxpayers' equity.

The impact on the accounts has not yet been determined but progress has been made with Application Guidance received from the Treasury and the Scottish Government to provide clarity on interpretation

Notes to the accounts (cont'd)

2 Income

2.1 Income from activities

Income from the normal activities of the national sports centres:

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Course fees	2,326	2,211	-	-
Hires, sales and hospitality	1,244	1,177	-	-
Staff meals and accommodation	80	91	-	-
Other income	71	74	-	-
	3,721	3,553	-	-

2.2 Other operating income

Other operating income comprises:

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Rental income	222	219	222	219
High performance income (UK Sport)	1,704	1,640	1,704	1,640
Donations	202	-	-	-
Grants Repaid	149	600	149	600
Miscellaneous income	5	7	5	7
	2,282	2,466	2,080	2,466

3 Grants paid

3.1 Sports development

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Annually paid grants				
Partners	4,350	4,799	4,350	4,799
Schools & Education	12,253	12,299	12,253	12,299
Clubs & Communities	258	-	258	-
Performance	3,388	3,370	3,388	3,370
People	8	-	8	-
Trust Company Funding	-	-	3,334	3,415
	20,257	20,468	23,591	23,883

This expenditure excludes any staff salary costs and administration costs which are disclosed separately under notes 4.1 and 5.1 respectively.

Notes to the accounts (cont'd)

3.2 Grants for capital facilities

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
National, including competition and training	2,000	-	2,000	-
Sports Facilities Fund	-	-	-	-
Trust Company Funding	-	-	490	379
Total Grants	2,000	-	2,490	379
Total revenue and capital grants	22,257	20,468	26,052	24,262

4 Staff costs

4.1 Total staff costs comprise

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Wages and salaries	9,451	8,146	6,296	5,187
Social security costs	894	809	623	550
Pension costs	1,615	1,465	1,087	965
IAS19 Adjustment	2,767	1,500	2,208	1,147
Aggregate staff costs	14,727	11,920	10,214	7,849

All employment contracts are within sportscotland and relevant amounts have been recharged to the Trust Company and Lottery accounts.

The aggregate staff costs cover the following areas:

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Sports Development	13,645	10,744	9,132	6,673
Management and Support Services	817	936	817	936
Information Services	265	240	265	240
	14,727	11,920	10,214	7,849

4.2 Average staff numbers

The average staff numbers, including part-time and full-time employees, was made up as follows:

	Group	
	2019 Numbers	2018 Numbers
sportscotland	165	148
Trust Company	145	143
	310	291

Additional information can be found in the Remuneration and Staff Report.

Notes to the accounts (cont'd)

5 Other operating charges

Operating result after charging

	<u>Group</u>		<u>sportscotland</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
General operating costs	3,927	3,949	957	1,392
Travel and subsistence:				
Members of Council	3	3	3	3
Staff	97	131	97	131
Research	36	58	36	58
Accommodation costs	869	765	357	353
Auditors' remuneration - External	37	40	27	25
Auditors' remuneration - Internal	10	17	10	17
Operating lease rentals:				
Land & Buildings	187	189	187	189
Vehicles	235	217	192	174
Other Equipment	41	39	-	-
Depreciation of property, plant and equipment	707	697	102	122
Impairment of assets	-	7	-	-
Amortisation of intangible assets	27	13	9	8
	<u>6,176</u>	<u>6,125</u>	<u>1,977</u>	<u>2,472</u>

Notes to the accounts (cont'd)

6 Property, Plant & Equipment

6.1 Group

2019	Land £000	Buildings £000	Assets Under Construction £000	Fixtures and Fittings £000	Equipment £000	Motor Vehicles £000	Total £000
Cost/valuation at 1 April 2018	180	25,841	313	87	2,367	94	28,882
Additions to 31 March 2019	-	578	76	-	11	61	726
Revaluation	-	-	-	-	-	-	-
Disposals to 31 March 2019	-	-	-	-	(84)	(6)	(90)
Cost/valuation at 31 March 2019	180	26,419	389	87	2,294	149	29,518
Aggregate depreciation at 1 April 2018	-	481	-	87	1,913	89	2,570
Charge for the year	-	494	-	-	208	5	707
Revaluation	-	-	-	-	-	-	-
Disposals to 31 March 2019	-	-	-	-	(84)	(6)	(90)
Aggregate depreciation at 31 March 2019	-	975	-	87	2,037	88	3,187
Net Book Value at 31 March 2019	180	25,444	389	-	257	61	26,331
Net Book Value at 31 March 2018	180	25,360	313	-	454	5	26,312

2018	Land £000	Buildings £000	Assets Under Construction £000	Fixtures and Fittings £000	Equipment £000	Motor Vehicles £000	Total £000
Cost/valuation at 1 April 2017	180	25,630	-	228	2,977	117	29,132
Additions to 31 March 2018	-	211	313	-	83	-	607
Revaluation	-	-	-	-	-	-	-
Disposals to 31 March 2018	-	-	-	(141)	(693)	(23)	(857)
Cost/valuation at 31 March 2018	180	25,841	313	87	2,367	94	28,882
Aggregate depreciation at 1 April 2017	-	-	-	221	2,394	108	2,723
Charge for the year Revaluation	-	481	-	-	212	4	697
Disposals to 31 March 2018	-	-	-	(134)	(693)	(23)	(850)
Aggregate depreciation at 31 March 2018	-	481	-	87	1,913	89	2,570
Net Book Value at 31 March 2018	180	25,360	313	-	454	5	26,312
Net Book Value at 31 March 2017	180	25,630	-	7	583	9	26,409

Notes to the accounts (cont'd)

6.2 sportscotland

2019	Land £000	Buildings £000	Fixtures & Fittings £000	Equipment £000	Total £000
Cost/Valuation at 1 April 2018	180	720	13	1,232	2,145
Additions to 31 March 2019	-	-	-	11	11
Revaluation	-	-	-	-	-
Disposals to 31 March 2019	-	-	-	(51)	(51)
Cost at 31 March 2019	180	720	13	1,192	2,105
Aggregate Depreciation at 1 April 2018	-	16	13	988	1,017
Charge for period to 31 March 2019	-	16	-	86	102
Disposals	-	-	-	(51)	(51)
Aggregate Depreciation at 31 March 2019	-	32	13	1,023	1,068
Net Book Value at 31 March 2019	180	688	-	169	1,037
Net Book Value at 31 March 2018	180	704	-	244	1,128

2018	Land £000	Buildings £000	Fixtures & Fittings		Equipment £000	Total £000
			£000	£000		
Cost/Valuation at 1 April 2017	180	720	13		1,647	2,560
Additions to 31 March 2018	-	-	-	-	56	56
Revaluation	-	-	-	-	-	-
Disposals to 31 March 2018	-	-	-	(471)	(471)	(471)
Cost at 31 March 2018	180	720	13	1,232	2,145	
Aggregate Depreciation at 1 April 2017	-	-	13		1,354	1,367
Charge for period to 31 March 2018	-	16	-		105	121
Disposals	-	-	-		(471)	(471)
Aggregate Depreciation at 31 March 2018	-	16	13		988	1,017
Net Book Value at 31 March 2018	180	704	-		244	1,128
Net Book Value at 31 March 2017	180	720	-		293	1,193

Under International Accounting Standard 40: *Investment Property*, elements of Caledonia House in Edinburgh are classified as an investment property.

Notes to the accounts (cont'd)

6.3 On 31 March 2019 sportscotland Group obtained from the Valuation Office Agency an openmarket value for the existing use of its land and buildings in accordance with the Statements of Asset Valuation Practice and Guidance Notes prepared by the Assets Valuation Standards Committee of the Royal Institution of Chartered Surveyors.

6.4 The direction of the Scottish Ministers requires these accounts to note that grants made by the Scottish Government Health and Wellbeing Directorate to sportscotland Group are made on the understanding that any tangible assets acquired by such grants could be available for clawback by returning the sale proceeds to Scottish Government, in the event of disposal or significant change of use.

6.5 Investment Property

Under International Accounting Standard 40: Investment Property, elements of Caledonia House in Edinburgh are classified as an investment property. On 31 March 2019 sportscotland obtained from the District Valuer Services, a market value of the elements of Caledonia House considered investment property. Investment property held relates to the leased out parts of Caledonia House.

2019	Group	sportscotland
	£000	£000
Market value as at 1 April 2018	2,800	2,800
Revaluation	(350)	(350)
Market value as at 31 March 2019	<hr/> 2,450	<hr/> 2,450

2018	Group	sportscotland
	£000	£000
Market value as at 1 April 2017	2,800	2,800
Revaluation	-	-
Market value as at 31 March 2018	<hr/> 2,800	<hr/> 2,800

Notes to the accounts (cont'd)

7 Intangible Assets

Computer software	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Cost				
Opening balance 1 April 2018	492	862	419	789
Additions during year	17	-	17	-
Disposals during year	-	(370)	-	(370)
Closing balance 31 March 2019	509	492	436	419
Accumulated amortisation				
Opening balance 1 April 2018	456	813	401	762
Charge for year	27	13	9	9
Eliminated on disposal	-	(370)	-	(370)
Closing balance 31 March 2019	483	456	410	401
Net book value at 31 March 2019	26	36	26	18
Net book value at 31 March 2018	36	49	18	27

8 Inventories

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Goods held for resale	20	20	-	-
Consumable stores	9	141	-	-
	29	161	-	-

9 Trade and other receivables

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade debtors	124	122	37	45
sportscotland Lottery Fund	555	237	555	237
Other debtors	157	194	333	192
Prepayments and accrued income	392	305	335	269
	1,228	858	1,260	743

Notes to the accounts (cont'd)

Breakdown of Debtors by Category

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Other Central Government Bodies	7	-	-	-
Local Authorities	45	7	-	7
NHS Bodies	-	-	-	-
Public Corporations and Trading Funds	-	-	-	-
Other External Bodies	1,176	851	1,260	736
Total	1,228	858	1,260	743

10 Trade and other payables

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Trade creditors	290	684	52	392
Other taxation and social security	616	592	616	592
Other creditors	12	40	12	623
Accruals	1,378	1,041	593	188
	2,296	2,357	1,273	1,795

Breakdown of Creditors by Category

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Other Central Government Bodies	643	647	643	647
Local Authorities	182	-	-	-
NHS Bodies	-	-	-	-
Public Corporations and Trading Funds	-	-	-	-
Other External Bodies	1,471	1,710	630	1,148
Total	2,296	2,357	1,273	1,795

10.1 Financial Instruments (under IFRS)

As the cash requirements of sportscotland are met through Grant-in-Aid provided by Scottish Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with sportscotland's expected purchase and usage requirements and sportscotland is therefore exposed to little credit, liquidity or market risk.

Notes to the accounts (cont'd)

11 Provisions for liabilities and charges

The movement during the year in the provision for liabilities and charges was:

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Balance at 1 April	115	110	115	110
Amount provided for during year	3	6	3	6
Released during the year	-	(1)	-	(1)
Balance at 31 March	118	115	118	115

The provision is for dilapidation on rental property.

12 Revaluation reserve

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Balance at 1 April	802	802	802	802
Revaluation Reserve Review (Deficit)/Surplus on revaluation of property.	(452)	-	(452)	-
	(350)	-	(350)	-
Balance at 31 March	-	802	-	802

13 General fund

	Group		sportscotland	
	2019 £000	2018 £000	2019 £000	2018 £000
Balance at 1 April	20,035	11,561	(2,016)	(10,085)
Net operating cost	(37,660)	(32,950)	(36,691)	(32,491)
Actuarial (Loss) /Gain on Defined benefit pension Scheme	(4,389)	12,218	(3,654)	9,910
Release from revaluation reserve	350	-	350	-
Funding: Grant-in-Aid - Capital	-	-	-	-
- Revenue	34,900	30,650	34,900	30,650
Funding: Other grants from Scottish Government	-	-	-	-
Transfer from (to) other Reserves	671	(1,444)	452	-
Balance at 31 March	13,877	20,035	(6,659)	(2,016)
Pension reserve balance	13,520	6,163	11,125	5,096
General fund balance	27,397	26,198	4,466	3,080

Notes to the accounts (cont'd)

14 Other Reserves

There were restricted reserves brought forward of £263k, relating to donations received for capital projects at Inverclyde. Of this £219k has been utilised within the current year.

15 Pension and similar obligations

All members of staff have the option of joining the Strathclyde Pension Fund (SPF). Existing employees are entitled to maintain their membership of the Scottish Teachers Superannuation Scheme (STSS). Both schemes are defined benefit schemes and sportscotland contributes 19.3% (2017/18 19.3%) of employee pensionable salaries to the respective schemes. The charge in the financial statements reflects the costs incurred by sportscotland during the year for the STSS £9k (2017/18 £15k) and SPF £1,558k (2017/18 £1,174k).

All employees of the former Scottish Institute of Sport were, and continue to be eligible to join an employer sponsored money purchase scheme.

The scheme operates on a defined contribution basis with the employer contribution equivalent to 19.3% of gross basic salary for eligible employees. The scheme is fully insured with Aviva. The cost of contributions during the year was £103k (2017/18 £59k).

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method. The latest actuarial valuation of the SPF scheme was at 31 March 2018. The STSS was last valued at 31 March 2016.

All employment contracts are within sportscotland thus the pension deficit relating to employees is included within sportscotland. However the pension contributions in the year are split between the sportscotland Lottery Fund and sportscotland through a quarterly process that assesses every employee and their split of work between the two companies.

The split for sportscotland pension contributions during 2018/19 was 66% (2017/18: 57%) with the balance, 34%, (2017/18: 43%) going to the sportscotland Lottery Fund.

15.1 The Scottish Teachers Superannuation Scheme

sportscotland participates in the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations.

Notes to the accounts (cont'd)

The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2016.

sportscotland has no liability for other employers' obligations to the multi-employer scheme. As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

15.2 The Strathclyde Pension Fund

The sportscotland group which includes the Scottish Sports Council Trust Company participates in a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 March 2018 for the group by a qualified independent actuary.

	31 March 2019	31 March 2018	31 March 2017
Rate of increase in salaries	3.6%	3.5%	4.4%
Rate of increase in pensions in payment and deferred pensions	2.4%	2.3%	2.4%
Discount rate applied to scheme liabilities	2.5%	2.7%	2.7%
Inflation assumption	2.4%	2.3%	2.4%

15.3 Sensitivity Analysis

IAS19 requires the disclosure of the sensitivity of the results to the methods and assumptions used.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2019	Approximate % Increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	13%	12,801
0.5% increase in the Salary Increase Rate	3%	2,573
0.5% Increase in the Pension Increase Rate	10%	9,972

In order to quantify the impact of a change in the financial assumptions used, the actuary has calculated and compared the value of the scheme liabilities as at 31 March 2019 on varying bases.

The approach taken is consistent with that adopted to derive the IAS19 figures provided in this report.

Notes to the accounts (cont'd)

The principle demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages). Please note the above figures have been derived based on the membership profile of sportscotland as at the date of the most recent actuarial valuation. The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

15.4 Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2012 model assuming current rates of improvements have peaked and will converge to a long term rate of 1.5% p.a for males and 1.25% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.4 years	23.7 years
Future Pensioners	23.4 years	25.8 years

Notes to the accounts (cont'd)

15.5 Fair value of employer assets

The below asset values are at bid value as required under IAS19

Asset Category	31 March 2019			%	31 March 2018			%
	Quoted Prices in Active Markets £(000s)	Prices not quoted Prices in Active Markets £(000s)	Total £(000s)		Quoted Prices in Active Markets £(000s)	Prices not quoted Prices in Active Markets £(000s)	Total £(000s)	
Equity Securities:								
Consumer	5,284	15	5,299	6%	4,869	14	4,883	6%
Manufacturing	4,281	13	4,294	5%	3,945	12	3,957	5%
Energy & Utilities	1,103	-	1,103	1%	1,016	-	1,016	1%
Financial Institutions	3,557	-	3,557	4%	3,278	-	3,278	4%
Health & Care	2,089	21	2,110	3%	1,925	20	1,945	3%
Information Technology	2,719	1	2,720	3%	2,505	1	2,506	3%
Other	-	-	-	0%	-	-	-	0%
Debt Securities	2,589	-	2,589	3%	2,385	-	2,385	3%
Private Equity:								
All	-	9,859	9,859	12%	-	9,084	9,084	12%
Real Estate:								
UK Property	-	7,470	7,470	9%	-	6,883	6,883	9%
Investment funds and unit trusts:								
Equities	23,433	2,031	25,464	31%	21,592	1,872	23,464	31%
Bonds	3,608	5,944	9,552	12%	3,325	5,477	8,802	12%
Commodities	41	-	41	0%	38	-	38	0%
Other	-	106	106	0%	-	97	97	0%
Derivatives:								
Foreign exchange	-	-	-	0%	-	-	-	0%
Other	2	-	2	0%	1	-	1	0%
Cash and cash equivalents:								
All	4,247	4,094	8,341	10%	3,914	3,772	7,686	10%
Total	52,953	29,554	82,507	100%	48,793	27,232	76,025	100%

15.6 Reconciliation of defined benefit obligation

Year Ended:	31 Mar 2019	31 Mar 2018
	£000	£000
Opening Defined Benefit Obligation	82,188	87,060
Current Service Cost	4,882	3,664
Interest Cost	2,280	2,395
Contributions by Members	736	736
Actuarial Losses / (Gains)	6,886	(10,693)
Estimated Unfunded Benefits Paid	(24)	(23)
Estimated Benefits Paid	(921)	(951)
Closing Defined Benefit Obligation	96,027	82,188

Notes to the accounts (cont'd)

15.7 Information about the Defined Benefit Obligation

Funded Obligations	Liability split		Duration
	£000	Percentage (%)	
Active members	51,857	54.2%	29.6
Deferred members	27,102	28.3%	24.7
Pensioner members	16,732	17.5%	13.1
Total Funded	<u>95,691</u>	<u>100.0%</u>	24.4
Unfunded Obligations	<u>336</u>		
	<u>96,027</u>		

15.8 Reconciliation of fair value of employer assets

Year Ended:

	31 Mar 2019 £000	31 Mar 2018 £000
Opening Fair Value of Employer Assets	76,025	70,642
Expected Return on Assets	2,077	1,932
Contributions by Members	736	736
Contributions by the Employer	2,093	2,141
Contributions in respect of Unfunded Benefits	24	23
Actuarial Gains/(Losses)	2,497	1,525
Estimated Unfunded Benefits Paid	(24)	(23)
Estimated Benefits Paid	(921)	(951)
Closing Fair Value of Employer Assets	<u>82,507</u>	<u>76,025</u>
Net pension liability	<u>(13,520)</u>	<u>(6,163)</u>

15.9 Fund History

	31 March 2015 £000	31 March 2016 £000	31 March 2017 £000	31 March 2018 £000	31 March 2019 £000
Present value of liabilities	(67,436)	(61,649)	(87,060)	(82,188)	(96,027)
Fair Value of Assets	52,856	55,673	70,642	76,025	82,507
Surplus/(Deficit) in the Fund	<u>(14,580)</u>	<u>(5,976)</u>	<u>(16,418)</u>	<u>(6,163)</u>	<u>(13,520)</u>
Unfunded liabilities included in the figure for the Present value of liabilities					
Unfunded liabilities for Pension Fund	(364)	(331)	(346)	(332)	(336)

The liabilities show the underlying commitments that sportscotland has in the long run to pay post-employment (retirement) benefit

Notes to the accounts (cont'd)

15.10 Analysis of amounts included in Statement of Comprehensive Net Expenditure

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Expected return on pension scheme assets	2,077	1,932	1,745	1,631
Interest on pension scheme liabilities	(2,278)	(2,395)	(1,912)	(2,010)
Net Return	(201)	(463)	(167)	(379)

15.11 Analysis of amount charged to staff costs in Statement of Comprehensive Net Expenditure

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Current service cost	4,884	3,664	3,918	2,881
Contribution by employers	(2,093)	(2,141)	(1,686)	(1,711)
Contributions in respect of unfunded benefits	(24)	(23)	(24)	(23)
	2,767	1,500	2,208	1,147

15.12 Analysis of amount recognised in Statement of Changes in Taxpayers' Equity

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Actual return less expected return on scheme assets	2,497	1,525	2,097	1,113
Experience gains and losses arising on scheme liabilities	(16)	4,761	(16)	3,828
Changes in assumptions underlying present value of scheme liabilities	(6,870)	5,932	(5,735)	4,969
Actuarial (loss)/gain recognised in statement of changes in taxpayers equity	(4,389)	12,218	(3,654)	9,910

15.13 History of Experience Gains and Losses

	31 March 2015 %	31 March 2016 %	31 March 2017 %	31 March 2018 %	31 March 2019 %
Experience gains/(losses) on assets	3.0	(0.7)	15.7	3.4	3.0
Experience gains/(losses) on liabilities	(1.8)	1.4	0.0	(5.8)	(0.0)

Notes to the accounts (cont'd)

15.14 Movement in deficit during the year

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Deficit in scheme at beginning of year	(6,163)	(16,418)	(5,096)	(13,480)
Current service cost	(3,949)	(3,664)	(3,171)	(2,881)
Past service cost	(935)	-	(747)	-
Contributions paid	2,093	2,141	1,686	1,711
Contributions in Respect of Unfunded Benefits	24	23	24	23
Net Return on Assets	(201)	(463)	(167)	(379)
Actuarial (loss)/ gain	(4,389)	12,218	(3,654)	9,910
Deficit in the scheme at end of year	<u>(13,520)</u>	<u>(6,163)</u>	<u>(11,125)</u>	<u>(5,096)</u>
The deficit is made up as follows				
sportscotland	(11,125)	(5,096)		
sportscotland Trust Company	(2,395)	(1,067)		
	<u>(13,520)</u>	<u>(6,163)</u>		

It is estimated that employers contributions required for the year to 31 March 2020 will be £2,093k.

16 Analysis of changes in cash during the year

	Group		sportscotland	
	2019	2018	2019	2018
	£000	£000	£000	£000
Cash and bank balance at 1 April	1,386	2,827	1,103	2,373
Net cash inflow/(outflow)	41	(1,441)	(19)	(1,270)
Cash and bank balance at 31 March	<u>1,427</u>	<u>1,386</u>	<u>1,084</u>	<u>1,103</u>

17 Capital and grant commitments

	Group		sportscotland	
Capital	2019	2018	2019	2018
	£000	£000	£000	£000
Contracted	-	-	-	-
Authorised but not contracted	-	-	-	-
Grants				

Conditional on funds being made available by the Scottish Government Health and Wellbeing Department there were commitments to pay grants to various bodies and organisations of £54,759k (2017-18 £31,161k).

Notes to the accounts (cont'd)

18 Related party transactions

sportscotland was established by Royal Charter in 1972, and is sponsored by the Scottish Government Health and Wellbeing Directorate.

The Scottish Government is regarded as a related party. During the year **sportscotland** had various material transactions with the Scottish Government and with other entities for which the Scottish Government is regarded as the Sponsor Department.

During the year **sportscotland** had a number of material transactions with The Scottish Sports Council Trust Company which is controlled by **sportscotland**. **sportscotland** provided Capital funding of £490k, revenue funding of £3,334k, and support from corporate services of £317k.

The **sportscotland** Lottery Fund is administered by **sportscotland** and all **sportscotland** members are Members of the Council of the **sportscotland** Lottery Fund. **sportscotland** Lottery Fund is thus regarded as a related party of **sportscotland**.

During the year the **sportscotland** Lottery Fund had a number of material transactions with **sportscotland**. At the year end, within debtors there is an amount of £555k (2018: £237k) owed by **sportscotland** Lottery Fund. During the year **sportscotland** recharged salaries of £3,967k (2018: £5,157k).

The Chair and Chief Executive of **sportscotland** are trustees of the Commonwealth Games (Scotland) Endowment Fund. This trust fund was established during the year to 31 March 2003 and funded from grant-in-aid monies ring fenced by Government for this purpose. The inaugural trustees are drawn two from **sportscotland**, two from the Commonwealth Games Council for Scotland, with one independent chairperson. As a result, **sportscotland** does not exercise control and, accordingly, the Commonwealth Games (Scotland) Endowment Fund is not a part of the **sportscotland** Group and not consolidated within the Group results. All related party transactions have been undertaken on arm's length term.

There were no related party transactions with members within the year.

A list of individual awards made to external bodies and amounts paid to individual sports is contained in the Annual Report.

Notes to the accounts (cont'd)

19 Financial commitments

At 31 March 2019 the Group had annual commitments under non-cancellable operating leases as follows:

	Group		sportscotland	
	2019	2018	2019	2018
Operating leases which expire	£000	£000	£000	£000
Within one year	520	567	467	530
Two to five years	1,106	1,229	985	1,139
Over five years	299	506	299	506
Total	1,925	2,302	1,751	2,175

20 Taxation

sportscotland is assessed to corporation tax, annually, based on bank interest and rental incomes received. The small companies' rate of corporation tax applies to the taxable profits.

	Group		sportscotland	
	2019	2018	2019	2018
Corporation Tax	£000	£000	£000	£000
	5	2	5	2

21 Bank and cash in hand

The bank balance held in the Group accounts is made up of the following:

	Group	
	2019	2018
	£000	£000
sportscotland	1,084	1,103
Scottish Sports Council Trust Company	343	283
	1,427	1,386

22 Losses

sportscotland had no write-offs during the year (2018 £nil).

23 Events Since the Statement of Financial Position Date

There is one event relating to pension liabilities which has a material effect on the accounts since the Statement of Financial Position date that is noted below (2018 none).

McCloud

When the LGPS Scotland benefit structure was reformed in 2015, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2015 by these members are subject to an 'underpin' which means that they cannot be lower than what they would have received under the previous benefit structure. The underpin ensures that these members do not lose out from the introduction of the new scheme.

In December 2018 the Court of Appeal upheld a ruling ("McCloud/Sargeant") that similar transitional protections in the Judges' and Firefighters' Pension Schemes were unlawful on the grounds of age discrimination. The implications of the ruling are expected to apply to the LGPS (and other public service schemes) as well. The UK Government requested leave to appeal to the Supreme Court but this was denied at the end of June 2019. Therefore, LGPS Scotland benefits accrued from 2015 may need to be enhanced so that all eligible members, regardless of age, will benefit from the underpin. Alternatively, restitution may be achieved in a different way, for example by paying compensation. In either case, the clear expectation is that many more members would see an enhanced benefit rather than just those currently subject to these protections.

Quantifying the impact of the judgement at this stage is very difficult because it will depend on the compensation awarded, members' future salary increases, length of service and retirement age, and whether (and when) members withdraw from active service. Salary increases in particular can vary significantly from year to year and from member to member depending on factors such as budget restraint, job performance and career progression. The Government Actuary's Department (GAD) has estimated that the impact for the LGPS England & Wales as a whole could be to increase active member liabilities by 3.2%, based on a given set of actuarial assumptions. A full description of the data, methodology and assumptions underlying these estimates is given in GAD's paper, dated 10 June 2019.

The Strathclyde Pension Fund's actuary has adjusted GAD's estimate to better reflect the Fund's local assumptions and circumstances, particularly those for salary increases and withdrawal rates. The revised estimate results in around a 1.8% increase in active member liabilities as at 31 March 2019 which results in an increase of approximately £945,000 for the **sportscotland** group.

24 Contingent Liabilities

As at the date of signing, **sportscotland** had one contingent liability, (2018 none).

In January 2018, the UK Government published its response to the indexation and equalisation of Guaranteed Minimum Pension (GMP) in public sector pension schemes. The UK Government has concluded that there should be an extension to the current interim solution so that it applies to those who reach State Pension age on or before 5 April 2021. There remains uncertainty around the long term solution, and in the event that any additional liability arises in due course, it would be expected that this will be treated as a past service cost and included in the actuarial assessment of the pension scheme liabilities.



SPORTSCOTLAND

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Article 15 of The Royal Charter of the Scottish Sports Council (now trading as sportscotland), hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 12 March 2001 is hereby revoked.

Signed by the authority of the Scottish Ministers

Dated 31 March 2006

