

sportscotland Group

Annual Report and Accounts
for the year ended 31 March 2025

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 2025

Annual Report and Accounts

sportscotland

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Minister's Foreword

I am delighted to be introducing this report in my new role as Minister for Drugs and Alcohol Policy and Sport.

This report highlights the fantastic work by **sportscotland** and the wider sporting sector to support communities and people across Scotland to be active, despite the continuing economic challenges.

This year, **sportscotland** celebrated the 20th anniversary of Active Schools, a long-term investment programme in health and well-being, which provides positive experiences of sport and physical activity from a young age. Across this 20-year period, there were a staggering 62.5 million visits by pupils, in over 3 million Active Schools sessions. I was particularly pleased at the achievement of the Programme for Government commitment for Active Schools to be free for all children and young people across the country by the end of this Parliament.

sportscotland's continued focus on community sport is clear in this report and remains essential – supporting a vital part of the sporting system. I had the privilege of attending **sportscotland's** Coaching, Officiating and Volunteering awards in November. These awards celebrate the incredible people who are making a difference across all sports in Scotland. I'd again like to thank all the professionals and volunteers who are committed to getting people active.

It has also been a fantastic year for our athletes competing on the world stage, including the incredible achievements by Scottish athletes at the Paris 2024 Olympic and Paralympic Games. What's more, we welcomed the news that the Commonwealth Games will be returning to Scotland in 2026. This will provide opportunities for our athletes to experience a memorable major sporting event at home and will inspire people across Scotland to be active.

The challenges facing the sporting sector have taught us that collaboration is essential if we are to make further progress towards a more active Scotland. I am looking forward to working with **sportscotland** and the wider sector in the coming year to continue to bring positive change to people's lives through sport and physical activity.

Maree Todd, Minister for Drugs and Alcohol Policy and Sport

REPORT OF THE SCOTTISH SPORTS 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 1st, 1999, the Scottish Sports Council adopted the trading name of **sportscotland**. **sportscotland**’s head office is Doges, Templeton on the Green, 62 Templeton Street, Glasgow, G40 1DA.

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.

Subsidiary

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 His Majesty’s Revenue and Customs (HMRC) 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 and Inverclyde, in Largs, 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).

Through its activities the Trust Company creates outcomes across the sporting system. Delivering a return on investment by:

- Maximising and aligning resources with key partners
- Strengthening enablers through investment in people, places and profiling sport
- Supporting and improving sporting environments through work with clubs and communities of practice, schools and education, and investment in resources to support and improve performance sport
- Achieving outcomes for all people who wish to be involved in sport, remain in sport, return to sport or progress with sport.

The Trust Company is increasingly seeking to operate as one entity by the sharing of knowledge, skills and ideas between centres. The National Centres are working closely with the **sportscotland** senior management team in order to play an operational role in the delivery of key elements of the **sportscotland** corporate strategy, with a particular focus on increasing access to outdoor activity and opportunities for inclusion in sport and physical activity.

THE PERFORMANCE REPORT

Overview

Chief Executive's Report

This year's annual review covers the sixth year of our corporate strategy, Sport for Life.

Between April 2024 and March 2025, Scotland's sporting landscape has shown remarkable strength and flexibility in challenging economic times by continuing to deliver positive experiences for individuals and communities across the country.

Community and collaboration are more important than ever, and I'd like to recognise and acknowledge the unwavering support and commitment of our local and national partners who continue to drive progress, manage change and build resilience across the sector.

Sport at all levels has the power to change lives, and our coaches, volunteers and community clubs make it happen. Their passion and commitment create daily opportunities for people to participate, progress and achieve in sport - uplifting individuals, strengthening groups, and inspiring real growth. The impact goes beyond sport in shaping lives and communities every day.

At Paris 2024, 54 Scottish athletes delivered on the world stage at the Olympic (33) and Paralympic (21) Games. We witnessed memorable moments, new records, personal bests, and impressive debuts, culminating in a total of 13 medals for Scots on Team GB and 20 medals for Scots on ParalympicsGB.

The road to Paris was a collective effort, showcasing not only the extraordinary talent of our athletes but also the dedication of coaches, support staff, parents, guardians, and volunteers – all of whom played a part over the journey to Paris.

As we prepare for the return of the Commonwealth Games in Glasgow 2026, we recognise the opportunity to build on our strong history of success, to inspire future generations and importantly to use the Games as an opportunity to promote and develop sport at all levels in Scotland.

A big thank you to Mel Young and to the other four Board members who have recently come to the end of their terms on the **sportscotland** Board. With the appointment of Maureen Campbell as chair and the addition of five new **sportscotland** board members, I am confident that Scottish sport is in good hands.

Forbes Dunlop, Chief Executive and Accountable Officer, **sportscotland**

Purpose and Activities of the Organisation

About us

sportscotland is the national agency for sport. We are a non-departmental public body, responsible through ministers to the Scottish Parliament. We are also a National Lottery Fund distributor and are governed by National Lottery distribution rules.

We have three directorates - sports development, high performance and corporate services. The **sportscotland** Trust Company operates national training centres which provide quality, affordable and appropriate residential and sporting facilities for people to develop in sport.

We deliver from our headquarters in Glasgow, the **sportscotland** institute of sport in Stirling and our regional bases across Scotland – and we have a wide range of partnerships running the length and breadth of the country.

This report applies to the **sportscotland** group, which is **sportscotland** and the **sportscotland** Trust Company.

You can find out more at: [Who we are \(sportscotland.org.uk\)](http://sportscotland.org.uk).

A sporting system for everyone

Our Corporate Strategy will be refreshed in 2025 to align with the new Physical Activity for Health Framework (PAHF). This report covers the period when we were working under our 2019 Corporate Strategy and the ASOF framework. It will be written in this context.

Our vision is of an active Scotland where everyone benefits from sport. We are committed to the Scottish Government's vision of a more active Scotland and the Active Scotland Outcomes Framework (ASOF), which contributes to the National Performance Framework¹. Our mission is to help the people of Scotland get the most from the sporting system.

The sporting system is made up of different components that interact with each other as illustrated in the diagram below. It is not a structure, an organisation or a process. The system adapts to its environment. So as the world around sport changes, the system components, and the way they interact evolves.

The sporting system shows how resources are invested by various organisations and partners to promote sport and develop the people and places that create sporting opportunities which are delivered in the schools and education, clubs and communities and performance sport environments.

It helps everyone see where they fit in and how they contribute. As a result, people in Scotland take part in sport at the level they choose which has an impact on activity levels, health and other aspects of society and the economy.

¹ <http://nationalperformance.gov.scot/>

Figure 1: A sporting system for everyone



Structure: Our Environments

We see people taking part in sport and physical activity across three different environments. We use these environments to structure the programmes we invest in and our key activities.

Schools and Education

The schools and education environment helps build competence and confidence in sport by providing positive sporting experiences at schools, colleges and universities.

We collaborate closely with local and national partners to make changes to improve sport and physical activity for children, young people and young adults. We also ensure the voice of children and young people informs our decision-making.

We engage strategically with local authorities and local partners to understand the impact of the cost-of-living crisis and resource constraints on local sport and physical activity.

We will use our partnership working to everything we can to protect the professional workforce and sports facilities infrastructure, while driving the changes needed to reduce inequalities and ensure inclusion underpins everything we do. Our support will be driven by the needs and priorities of our local partners.

Clubs and Communities

The clubs and communities environment offers local opportunities for participants and athletes to take part in sport and physical activity and develop to the level they choose.

Through our ways of working, we will improve the connections between local authorities and Scottish Governing Bodies of sport (SGBs) to build capacity and capability within local clubs, hubs and communities. We also work with third sector organisations and other partners to add value and strengthen this approach.

We continue to work with SGBs, national partners, clubs and community organisations to understand the impact of the cost-of-living crisis. We work with partners to target our investment to help protect the professional workforce and sports facilities infrastructure and support the ongoing recovery of the sport and leisure sector.

We encourage a more inclusive approach. We support clubs, hubs and communities to understand barriers people face, adapt to better meet these requirements, and make it easier for people to participate in sport.

Performance Sport

The performance sport environment helps prepare and support athletes to perform consistently on the world stage using cutting edge expertise and technology.

We work in close partnership with SGBs and others in performance sport to build on the progress we have achieved. We continue to enhance areas of our system in response to the changing landscapes and direct requirements of our sports, athletes and partners.

We provide and encourage better leadership, management and impact awareness across our high-performance system through refining our management toolkits and ensuring athlete and staff welfare is at the core of our programmes and support. We use research, data and business intelligence to ensure we make better informed decisions going forward.

Making it Happen

Making it Happen supports our work in all three environments, both within **sportscotland** and for the whole sporting system. It is about effective business management and helps us:

- make the most of our people, places and tools.
- do the things we need to do to be a good organisation.
- help people understand and value **sportscotland** and sport.

Further information on what we do can be found at: [Business plan \(sportscotland.org.uk\)](https://www.sportscotland.org.uk/business-plan).

Performance Summary

This report covers the sixth year of our corporate strategy, Sport for Life². In April 2024, we agreed our business plan for 2024 and beyond, which describes how we will deliver Sport For Life.

We report on our annual performance through:

- A summary of our performance across the year
- Key performance indicators
- Personal stories highlighting the impact of our collaborative work with partners across the system.

Playing our Part

Our business plan shows how we planned to deliver Sport for Life in this year. We delivered well in 2024/25. We reached 1.1 million people. This appears static compared to 2023/24. However, if we exclude the SGB data issue below, our overall reach has increased by 1.6%. Our key performance indicators show more mixed results. Our equality indicators are maintaining consistent with prior year. We achieved well on the world stage. We improved our support to the sector. We strengthened how we work.

Programmes

Our key programmes are maintaining or improving, except SGB club membership. This shows an apparent 1.3% decrease since last year. In the last year we have seen a mixed picture for SGBs with some decreasing membership and others increasing. Changes in some of the larger sports have a bigger impact on the overall figures. This year football has improved their data quality and introduced a new system³, this has impacted their club figures. As the second largest sport, this change has a substantial impact on our overall figures. If we exclude football's results for both years, the SGB club membership figures are maintaining compared with last year.

Our key schools and education programme is Active Schools. We have just celebrated 20 years of this programme. We reached 280,000 participants this year, a 3.5% increase on last year. This programme has delivered continued growth since Covid-19. We also:

- have 48% of Scottish schools registered with School Sport Awards.
- delivered six Young Ambassador Conferences, reaching over 600 young ambassadors.

Our key clubs and communities programme is our investment in Scottish Governing Bodies. Their playing club membership reduced slightly, with 800,129 playing club members, down by 1.3% since last year due to the issue noted above. We also:

- made progress in equalities, diversity and inclusion, with 22 SGBs completing the new Moving to Inclusion tool.
- provided more support to SGBs, including a new case management support service, and a new governance audit contract.

² <https://www.sportforlife.org.uk/>

³ Football now capture club and recreational players in a different way. This has impacted their club figures, but overall SGB membership has increased.

- provided safety and wellbeing support, with learning and development on child wellbeing and protection reaching 600 attendees, and a UK wide Vision for Welfare and Safeguarding in Sport in the UK project.

We achieved well on the world stage. The key performance event this year was the Paris 2024 Olympic and Paralympic Games. We had a good representation of athletes competing, with 33 Scottish athletes on Team GB and 21 on ParalympicsGB. Scottish athletes won 13 medals at the Paris Olympics, and 20 medals at the Paris Paralympics.

- There was a further boost to Scottish performance sport with the Commonwealth Games returning to Glasgow in 2026.

Partners

We brought senior leaders from our key partners together through the strategic forum. This informed our long-term planning proposals to Scottish Government and responded to the latest data on the financial position of publicly funded sport. We made strong proposals to support the Scottish Government fulfilling their commitment to double the sport and active living budget by the end of this parliamentary term. Scottish Government financial challenges meant this commitment was not fulfilled in 2024/25. We also:

- supported 12 local authorities on physical activity and sport strategies.
- supported targeted EDI work in seven local authorities: Glasgow, Fife, Dundee, Clackmannanshire, West Lothian, North Ayrshire and Orkney.

People

We provided significant learning and development support to the sector:

- We continue to support sports to develop and embed the Scottish Coaching Certificate.
- We have 44,232 Scottish learners on our Brightspace learning and development platform.
- We completed our 2024/25 coach education subsidy. Over £400k was awarded across 27 sports. The top five EDI focus areas this year are females, young people, rural accessibility, SIMD, and disability.
- We launched The Coaching Scotland Development Tool. Local and national partners are engaging in themes and collaboration to share practice and agree actions aligned to Coaching Scotland.
- We launched our second SGB CEO executive coaching programme cohort.
- We piloted the national progression awards in sports coaching. We procured five suppliers for our Sport Educator Framework to support learning and development for local and national partners.

Places

We commissioned a review of the sports estate in Scotland. Local authorities, leisure trusts, colleges and universities have shared their data. This includes the age, condition and investment needed. We are working to address gaps in utilisation data. We made over 200 site visits to club owned facilities. We are working with local authorities and SGBs to monitor the risk of facilities fully or partly closing. In 2024/25 we committed to:

- Invest £1,677,175 into nineteen Sports Facility Fund projects.
- Invest £984,736 into six Cycling Facilities Fund projects.

- Invest £845,387 into one Transforming Scottish Indoor Tennis project.

We also found the financial climate is still affecting planning and implementation of capital projects.

Making it happen

We strengthened how we work. We revised our corporate strategy which will relaunch in 2025/26. We progressed an in-depth review of our business plan and budget.

We made improvements to how we work:

- Continued to emphasise the importance of staff wellbeing.
- Introduced a new 35 hour working week.
- Repeated our Good Day at Work survey.
- Commissioned a strategic workforce review to inform our future workforce needs.
- Introduced a voluntary severance scheme to help manage our internal costs.
- Progressed the sale of our Caledonia House and Cumbrae centres, helping manage our costs and our environmental sustainability goals.

We continue to enable our work through software development and cyber secure infrastructure:

- Increasing our learning and development on cyber security, records management, and business continuity
- Took part in a cyber resilience pilot with HEFESTIS to assess our compliance against the upcoming Scottish Public Sector Cyber Resilience Framework (SPSCRF) v2.0.

We supported data driven decisions by publishing interactive Power BI reports on our key programmes, with positive partner feedback. We significantly added to the evidence base, publishing:

- Equality and sport research 2024
- Economic importance of sport 2024
- Review of Culture and Leisure Services in Scotland 2024
- Facilities Charges Review 2024.

We brought the sporting community together to celebrate the successes of those involved in sport from grassroots to high performance through:

- Coaching and Volunteering Awards
- Scottish Sport Awards events.

We celebrated the 30th birthday of The National Lottery. Since the first draw, National Lottery players have supported more than 690,000 projects, raising over £50 billion for Good Causes across the country.

National Centres

sportscotland continues to provide strong support to the national centres and their staff. There has also been the opportunity to review, enhance and more closely integrate the role of the national centres in the delivery of Sport For Life. We continue to provide a home for residential sports training to a range of SGBs, clubs, schools and other partners at the Inverclyde National Centre. Glenmore Lodge continues to deliver high quality training support development and innovation in the outdoor and adventure sport sector.

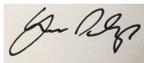
- Inverclyde National Centre hosted 33,579 participant days⁴ in 2024/25.
- Glenmore Lodge hosted 7,466 participant days and 3,561 people took part in learning and development opportunities at the Lodge in 2024/25.

Principal Risks

sportscotland faces, and actively manages, a wide range of risks which are categorised in our risk register across eleven category types. Details of our risk management approach and of the significant risks facing **sportscotland** are set out in the discussion of risk management in the Accountability Report section of this document.

Going Concern

The statement of financial position as at 31 March 2025 shows net assets of £29.9million. Funding for **sportscotland** in 2025/26 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.



Forbes Dunlop
Chief Executive and Accountable Officer

19 September 2025

⁴ Participant days is collected from all residential and non-residential groups, excluding local community bookings. Participant days is the length of stay multiplied by number of group participants.

Performance Analysis

National Context

It is important to consider the national context for sport and physical activity in Scotland. National sport and physical data is collected by Scottish Government⁵. The latest data shows 49% of adults had taken part in physical activity and sport in the previous four weeks (excluding walking). This shows that sport participation remains broadly static and within the trends seen since 2011. The latest national data for volunteering shows that 14% of volunteers did so for physical activity, sport and exercise. This remains within the trends seen since 2018.

This year we have not collected Active Scotland Outcomes Framework (ASOF) data through partner surveys as there continues to be challenges around survey fatigue and pressures on partner capacity. However, there are proven benefits of taking part in sport and physical activity. We have evidence around the positive impact of sport on the Active Scotland Outcomes reported^{6,7} in previous years. The evidence is consistent and there are marginal gains in repeating this annually. We will therefore consider outcome surveys on a less frequent basis, to reduce survey fatigue.

The Scottish Government released the new Physical Activity for Health Framework. This is the new physical activity policy in Scotland. We are updating our corporate strategy to reflect this, and we will revisit our performance measurement under our revised corporate strategy.

Performance Indicators

Our key performance indicators are summarised in the dashboard below. This illustrates our contribution to sport and physical activity across Scotland. All of our indicators are gathered through routine monitoring and evaluation.

We have included one year and five-year trend comparisons where possible. We applied a 1% threshold for the one-year comparison, to easily show whether the trend is positive, neutral or negative. We will continue to review these thresholds as we collect longer term trend data.

More detail is available in our interactive [Power BI dashboard](#)⁸.

⁵ [Scottish Household Survey results - gov.scot](#)

⁶ [sportscotland's contribution to the Active Scotland Outcomes Framework \(www.sportscotland.org.uk\)](#).

⁷ https://sportscotland.org.uk/media/y3zmc3nu/final_sport_for_life_20.pdf

⁸ <https://sportscotland.org.uk/secure/power-bi-test>

Key performance indicator dashboard

Indicator	Value	1 year trend	5 year trend
Total Participants	1,079,695	=	
Active Schools Participants	278,945	↗	
% of pupils taking part in Active Schools	40%	↗	
SGB club members	800,129	↘	
Inverclyde Participant Days	33,579	↘	
Glenmore Lodge Participant Days	7,466	↘	
Glenmore Lodge Learning and Development	3,561	↗	
Places - Investment	£3,507,298	↘	
Places - Enabled investment	£11,454,579	↘	
People - Number of people accessing sportscotland learning and development across projects	12,116	=	
People - Number of active learners on the digital learning platform	44,232	↗	
People - Number of partners involved in the digital learning platform	54	↗	
SIS supported athletes	621	↘	

Equality, diversity, and inclusion (EDI) indicator dashboard

Inclusion underpins everything we do. The EDI dashboard summarises the EDI trends for our key programmes. This includes trend data, and a comparison against the diversity of the Scottish population. We can see that there are still inequalities compared to the national data.

Active Schools Participants

Characteristic	Participants 2024/25	Scotland	Gap	1 Year Trend
Male	54%	51%	3%	=
Female	46%	49%	-3%	=
Pupils From 20% most deprived areas	22%	22%	0%	=
Have additional support needs	23%	37%	-14%	=
Assessed disabled	2%	3%	-1%	=
White Scottish / White other British / White other (including Irish, Polish, Gypsy/Traveller, Roma and Showman/Showwoman) ⁹	88%	90%	-2%	=
Asian, Asian Scottish or Asian British / African, Scottish African or British African / Caribbean or Black / Mixed or multiple or other ethnic group)	12%	10%	2%	=

SGB Club Members

Characteristic	Participants 2024/25	Scotland	Gap	1 Year Trend
Male	71%	49%	22%	=
Female	29%	51%	-22%	=
Adult	67%	84%	-17%	↗
Youth	33%	16%	17%	↘

⁹ This list of ethnicities is defined by the pupil census, which provides the national comparisons.

High performance athletes (all)¹⁰

Characteristic	Participants 2024/25	Scotland	Gap	1 Year Trend
Male	51%	49%	2%	=
Female	49%	51%	-2%	=
Adult	98%	84%	14%	=
Youth	2%	16%	-14%	=
From 20% most deprived areas	6%	20%	-14%	↗
Report a health problem or disability that limits their day to day activities	12%	24%	-12%	=
White Scottish / White other British	95%	87%	8%	N/A
Asian, Asian Scottish or Asian British / African, Scottish African or British African / Mixed or multiple or other ethnic group)	4%	6%	-2%	N/A

High performance athletes (adult)

Characteristic	Participants 2024/25	Scotland	Gap	1 Year Trend
Heterosexual	93%	88%	5%	N/A
Bisexual or Lesbian/Gay	3%	4%	-1%	N/A
Preferred not to say	4%	8%	-4%	N/A
No religion	72%	51%	21%	N/A
Church of Scotland, Roman Catholic, Other Christian	26%	39%	-13%	N/A
Buddhist, Hindu, Jewish, Muslim, Sikh, Pagan or other religion	1%	4%	-3%	N/A
Preferred not to say	1%	6%	-5%	N/A

¹⁰ We collect additional EDI characteristics (ethnicity, religion / beliefs, sexual orientation) on a biennial basis via an athlete survey.

SGB EDI data

Due to limited EDI data on SGB club membership, SGB membership has been used as a proxy. SGB club membership accounts for 93% of SGB membership. For some SGBs these figures are the same.

We asked 20 SGBs to provide this data. This included the largest SGBs and those that could provide the full information. These account for 85% of total SGB membership. Coverage is smaller when the largest SGBs were not able to provide data, therefore the data should be treated with caution. This is the second year we have asked for this data. We will work with SGBs across the year to increase EDI data collection and reporting.

The figures in the table below show the data submitted for each EDI characteristic, and the percentage of membership covered.

EDI data for SGB membership

Characteristic	% SGB membership covered	Detail	Participants 2024/25	Scotland
Deprivation	41%	From 20% most deprived areas	9%	20%
Disability	18%	Report a health problem or disability that limits their day to day activities	5%	12%
Ethnicity	15%	White Scottish / White other British	85%	93%
		Asian, Asian Scottish or Asian British / African, Scottish African or British African / Caribbean or black / Mixed or multiple ethnic origin / Other ethnic origin / White other (including Irish, Polish, Gypsy / Traveller, Roma and Showman / Showwoman)	11%	7%
		Prefer not to say	4.4%	-
Religion / belief	8%	None	56%	51%
		Church of Scotland / Roman catholic / other Christian	29%	39%
		Muslim / Hindu / Buddhist / Jewish / Sikh / Pagan / other religion or body	2%	4%
		Prefer not to say	12%	6%
Sexual orientation	5%	Straight / heterosexual	78%	88%
		Gay or lesbian / bisexual	5%	4%
		Prefer to use another term	0%	0.5%
		Prefer not to say	17%	8%

Case studies

Discover some of the people and personal stories which highlight the impact of our collaborative work with partners across the system.

Case Study

Stephen McGuire

Stephen ended his fourth Paralympic Games with a gold medal in the men's individual BC4. A Paralympic medal was the only medal that the Scot had never won. He had been chasing this dream for 20 years and finally, was crowned Paralympic champion with his older brother Peter watching on from the commentary box.

After breaking his leg and knee in 2021 Stephen had a lengthy recovery time. The Para athlete from Hamilton won, Gold BC 4 Individual at the Sao Paulo World Boccia Cup (June 2024), Gold BC 4 Individual at the National Scottish Championships (June 2024), Silver BC 4 Individual at Montreal World Boccia Cup (April 2024).

sportscotland institute of sport staff, Alan Sinclair (Physical Prep), Jesse Castillo (Physio) and Nikki Miskelly (Performance Lifestyle) played a key role in the lead up to the Paralympics 2024 and form a key part of the day-to-day institute support team for Stephen.

Showcasing the 'Team behind the team' supporting athletes to medal success. The team includes families and friends, coaches, clubs and communities, as well as governing bodies and the experts at the **sportscotland** institute of sport, all underpinned by investment from the Scottish Government and the National Lottery.

Jesse Castillo, lead physiotherapist for Boccia, **sportscotland** institute of sport: *"I support Steph on a weekly basis at the Monday Stirling training sessions which are for all Scotland boccia athletes. I will often watch training and see if there is anything that needs to be done from a physio perspective. I will treat Steph for his knee injury that he had in the lead up to the games last year, also attending any medical or surgeon appointments that the athletes may have, which I did with Steph last year too."*

Scottish Disability Sport manage the pathway in Scotland and do an incredible piece of work supporting the next generation. Stephen also is involved as a coach with this work.

Case Study

20 Years of Active Schools

In 2024, the national agency of sport, **sportscotland**, celebrated the 20th Anniversary of Active Schools, a long-term investment programme in health and well-being, providing positive experiences of sport and physical activity from a young age. The 20th anniversary is an opportunity to celebrate the **sportscotland** programme and its contribution to the Government's national outcomes on health, education and children and young people.

Active Schools is a flagship **sportscotland** programme, investing over £13m of Scottish Government funding every year into local authorities to deliver the programme providing sport opportunities to young people. Across this 20-year period, there has been a staggering 62.5 million visits by pupils, over 3 million Active Schools sessions.

Active Schools and Newbattle high school work together in partnership to create a number of volunteer opportunities within the local area. This includes the Newbattle Leadership Programme delivered by Active Schools for S3 & S4 pupils. This training helps pupils develop their interpersonal skills and offers a wide range of opportunities including helping coach at local primaries, support with events, and a pathway into the Active Schools Leadership Academy (ASLA), future jobs or further education opportunities. This has increased volunteer opportunities within Active Schools, increased participation rates in all schools involved, and created a strong working relationship with the senior pupils.

The Choose to Lead Leadership Programme, created and delivered by High Life Highland equips young people aged 12-25 with essential leadership skills through accredited training and volunteering opportunities.

The programme has been hugely successful in enabling hundreds of young people each year to deliver thousands of volunteer hours of activity while gathering key leadership skills and qualifications along the way. The programme has seven award levels with each level requiring additional hours and training to be completed. The young people receive a coloured Hoodie for each level they reach. Over the last year, a further 926 hoodies awarded to recognise the 23,150 hours gained by young people.

sportscotland has provided £15,000 per year since 2016 to part-fund a post which oversees the development of the programme. This is built into the partnership agreement in place with Highlife Highland allowing progress and outcomes to be regularly reviewed.

From March 2024, Active Schools in East Dunbartonshire in partnership with Woodland View ASN School have developed an 'Inclusive Sports Forum'.

The aim of this forum has been:

'To raise the profile and increase opportunities for children, young people and adults with additional support needs to engage in Physical Activity and Sport. Through community engagement and partnership working to result in better health outcomes for those with additional support needs within East Dunbartonshire.'

Case Study

Empowering change: Sara Naveed's sporting journey

Former Young People's Sport Panel member, Sara Naveed is a Fit for Girls tutor. When asked about why she joined the programme, she said: *"I want to be that Muslim representation in the room so that those Muslim girls are also heard and seen. I am super passionate about girls' participation in sports and an advocate that there is a sport for everyone."* Since 2008, Fit for Girls has continued to develop and meet the needs of girls, along with the sport and physical activity workforce in Scotland.

The Young People's Sport Panel provides a national platform to represent the voice of young people across Scotland. The role of the panel is to help influence and shape the future of sport in Scotland and to raise the profile of sport. The programme's principle is that young people's views are heard and valued, and they have the opportunity to influence decision making and drive change.

Sara also took part in the first cohort of LeaderBoard Scotland earlier this year. Her involvement in the LeaderBoard Programme has been transformative, aiding her studies and enriching her understanding of governance, leadership, and the operational challenges of running a sports organisation at the highest level.

Speaking of her experience on the programme and the sessions delivered, Sara said, *"I loved the LeaderBoard speakers that we heard from. Especially Aneela—she connected with me, and she projected her story with so much passion; it was amazing."*

Sara's involvement in LeaderBoard also led to a connection with Cosmopolitan Roses, a London-based netball team that has spearheaded recruitment for the Pakistan national netball team, allowing Sara to compete at a national level in the sport.

Case Study

Shettleston Boxing Club

Shettleston Boxing Club welcomes people from the age of five up to its oldest member, who is currently 59. Shettleston, in Glasgow's East End is among Scotland's most deprived, with limited sporting opportunities. Where there was once a thriving miners/welfare club, is now a modern boxing facility that has fully embraced the role of what a community sports club is all about.

The club are an active member of the Shettleston Community Sport Hub, which is part of the national **sportscotland** community sport hub network. The community sport hub programme is funded by The National Lottery and brings sports clubs and community organisations together to improve the contribution sport and physical activity has within communities across Scotland.

The community sport hub programme is funded by The National Lottery and brings sports clubs and community organisations together to improve the contribution sport and physical activity has within communities across Scotland.

Opportunities are sparse within Shettleston, as Nadine Graham, the club secretary explains: *"There aren't really many opportunities for people that live here. We wanted to create something positive that will give residents something meaningful to look forward to in their lives. We wanted to create a club that was cool and unique. Something that would encourage young people to come along and feel welcomed. Something different from your traditional boxing gym."*

Adam, 19, has been a member of the club since it first opened and is the first fighter to win a bout for the club when he won at the start of October. He said: *"I joined the club last year, and it has helped me in so many ways. It's stopped me hanging around with the wrong crowd and to stay out of trouble. I also feel much better about myself. I have dropped from 118kg down to 90kg, which has given me a real confidence boost."*

Liam Baird, Sports Development Officer at Glasgow Life - Sport said: *"The club wanted to be more than just a club and so it was about identifying their needs. Being a new club, and when they were finding their feet, we made sure to get the right level of governance in place. They have also attended some of the hub meetings which have been hugely beneficial for the club to meet other clubs within the area. The important thing for me is that the club have given local people a choice when it comes to sport."*

Shettleston Boxing Club will receive £68,346 to build an extension to their existing facility. The work will mean members will now have a changing room and showers, while also making more space for increased boxing opportunities and community physical activity classes. Club members have carried out some in kind work on the extension.

Case Study

Winning Students 100: Faye Rogers

sportscotland are into the third year of a 5-year partnership (2023-2028) with University of Stirling to deliver Winning Students 100 (Investment is £190k per annum up to March 2028).

As the newest funding partner, **sportscotland**'s involvement brings true cross-sector collaboration to the programme with Scotland's sport and higher education bodies both committed to supporting a dual-career pathway for the country's leading student athletes.

Winning Students 100 is a world-leading dual-career programme that supports 100 of the most talented student athletes studying at Higher and Further Education institutions in Scotland. Since the original Winning Students scholarships launched in 2008, the programme has supported over 1500 student athletes, including world and Olympic champions.

Helping student athletes balance their studies with high performance training and competition, Winning Students 100 provides athletes with grants of up to £3000 and works with respective colleges and universities to offer additional support such as academic flexibility.

Faye Rogers attended a Winning Students Advisory Board meeting and was incredibly supportive of WS100 and how it had helped her during her meteoric rise in Para Swimming culminating in her Gold medal in Paris 2024.

Just months after competing at the Tokyo Olympic trials, Rogers was preparing to move to Aberdeen and start a biochemistry degree. On the morning that she was due to travel to Aberdeen, she decided to fit in a training session first, but did not make it to the pool. A car accident left the Stockton-on-Tees native with several open fractures to her elbow, which was also dislocated, and a severed ulna nerve. Three weeks after the accident, her consultant told her she would not swim competitively again. After leaving the room, Rogers told her mum 'watch me'. She was back swimming by Christmas. Faye won Paralympic gold in Paris in a thrilling 10 100m butterfly final, just pipping fellow Briton Callie-Ann Warrington.

Case Study

Boosting Orkney's sporting future

Funding awards for facilities, equipment and coaches made up of Scottish Government and National Lottery funding will help provide competition venues which will be homes for local sport, benefitting schools, Active Schools Orkney, clubs and the local community for generations, as well as a range of other support to help boost Orkney's sporting future. Athlete Travel Award Scheme (ATAS) funding for Orkney athletes will allow them the best possible preparation for a once in a lifetime chance to compete at a home Island Games.

Almost £80,000 has been made available to local sports clubs thanks to the Council's Crown Estate Community Led Development Fund, **sportscotland** and Orkney 2025. Areas to benefit from the Coach and Official Development project, which runs until 2027, include archery, kayaking, gymnastics, athletics, cycling, badminton and sailing.

Orkney Athletic and Running Club Manager, Inga Linklater, said: *"We have been able to train up 11 new coaching assistants this year, including seven of our secondary athletes. This has been fantastic, as it has brought their technical knowledge and experience into the coaching team, the primary children and coaches love working with them, and the youngsters themselves are gaining confidence and experience in coaching that will help them so much in many areas of their lives. The support we are receiving right now is vital for next year but has benefits way beyond that. The development happening in the lead up to the Island Games will create a great legacy, as it will help to ensure that we have thriving clubs well after 2025."*

The Council's Sports Development Officer, Elaine Marcus, said: "We've been working closely with local clubs and Scottish Governing Bodies to plan coach and official development activity, which has mostly been delivered in Orkney. We are delighted with the uptake from local clubs making fantastic use of this funding to increase the number of coaches and, in turn, the opportunity to help make sport and activity more accessible for all on the mainland and within our outer isles."

"The project is supporting volunteers in developing their personal skills, through coach education, official courses and Continuing Professional Development. It is also supporting young people beginning their coaching pathway. Getting potential coaches involved from a young age is key to the development of local clubs and is promising for the future of Orkney sport."

The project will also support the development of performance athletes, including those identified as 'podium potential' for Orkney 2025, as upskilling local coaches will increase their ability to plan and deliver more specialised training for the athletes. A Coach Developer from Stirling University visited Orkney in July and worked with a small group of coaches from Island Games sports.

Future Plans

Our [business plan](#) for 2025 onwards describes how we will deliver our commitment to our corporate strategy, [Sport For Life](#). We first launched Sport for Life in 2019 and updated the strategy in line with the [Physical activity for health: framework](#) in 2025. It outlines how we will continue to support the sporting system to respond to the current economic challenges and drive inclusion.

Review of the Financial Results for the Year

The accounts relate to the year ended 31 March 2025. Comparative figures are shown for the year to 31 March 2024 relating to **sportscotland** and the Trust Company. During the year **sportscotland** received grant-in-aid of £35,350k (2023/24: £35,350k). A further £5,424k (2023/24: £5,309k) was generated from its own activities, including through the trading operations of the Trust Company.

Expenditure of £20,032k (2023/24: £20,001k) was released for sports development and capital grants, £19,660k (2023/24: £19,290k) was deployed on revenue expenditure and £372k (2023/24: £711k) was deployed 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 net pension liability of £189k (2023/24 liability of £27k). See Note 1.13, 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 2024/25 the appointed auditors were Audit Scotland.

During 2024/25 no non-audit fees were paid to Audit Scotland.

Property, plant and equipment

During the year additions to property, plant and equipment amounted to £905k (2023/24: £533k).

Research and Development

During the year **sportscotland** invested £28k (2023/24: £25k) on research and development across a range of projects, to support the review and development of its range of investment programmes.

Retained Reserves

Accumulated funds totalling £29,874k (2023/24: £36,173k) were held on the Statement of Financial Position at the end of the year.

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 2025 the **sportscotland** Group paid 89% (2023/24: 93%) 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.

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

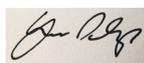
Sustainability

sportscotland is progressing its plan to move towards net zero. Both from our own corporate footprint and providing sector leadership and support. **sportscotland** continues to apply a phased approach to our enhanced climate-related disclosures proportionate to and in line with the guidance for small and mid-sized public bodies. Phase 2 for 2024/25 covers our governance, risk management and key targets reporting in relation to environmental sustainability.

Our annual report for 2024/25, 'Environmental Sustainability in Sport', was presented to Board in April 2025. The report provided Board with an update on progress and next steps planned from both an internal perspective on **sportscotland's** own estate and operations as well as external, sector leading perspective. Our role in environmental sustainability is embedded within our business plan for 2025 in a visible and balanced manner. Working with partners to reduce the impact sport has on climate change, and build resilience to the impacts climate change has on sport is one of our key change agenda items for 2025/26. Board will be appraised of progress on quarterly basis.

Our approach to managing risk in relation regarding our environmental sustainability objectives and potential climate-related impacts is embedded within our risk management framework. There is both an internally and externally focused risk at Corporate Risk Register level. These are actively monitored as part of our risk management processes explained further in Risk Management section below.

Regarding targets and reporting on environment sustainability, **sportscotland** continues to submit information annually to Sustainable Scotland Network on its energy usage and carbon emissions. We have introduced initiatives to reduce our carbon footprint, for example; decarbonising our car fleet, reducing our corporate office estate and investing in sustainable energy sources at our National Centres (e.g. ground source heat pump). As a result we have reduced our overall emissions across scopes 1-3 to just under 700 tonnes (TCO2)¹¹ in 2024/25.



Forbes Dunlop
Chief Executive and Accountable Officer

19 September 2025

¹¹ Using Scottish Government co-efficient

THE ACCOUNTABILITY REPORT

Corporate Governance Report

Directors Report

Members of the Board

The Members of the **sportscotland** Board for the year ended 31 March 2025, are listed below:

Member	Notes
M Campbell (Chair)	Appointed Chair 1 June 2024
M Young (Former Chair)	Resigned 31 May 2024
A Bain	
S Lindsay	
T Mistry	
H Ousta	
S Sweeney	
A Watt	
C Grant	Resigned 28 February 2025
D McDonald	Resigned 28 February 2025
S Sandilands	Resigned 28 February 2025
K U'ren	Resigned 28 February 2025
M Connolly	Appointed 1 March 2025
J Gotts	Appointed 1 March 2025
A Kerr	Appointed 1 March 2025
T McDaid	Appointed 1 March 2025
G Treasurer	Appointed 1 March 2025

M Campbell was appointed as the new Chair from 1 June 2024, replacing M Young. A Bain was appointed as the new Chair of the **sportscotland** Trust Company from 25 June 2024, replacing M Campbell.

M Campbell, A Bain and S Sandilands were representatives of the **sportscotland** Trust Company during 2024/25.

S Lindsay was Chair of Audit and Risk Committee throughout 2024/25. C Grant was Chair the People Development Committee until the end of their tenure on the **sportscotland** Board. T Mistry has been appointed as new Chair.

The Chief Executive and Accountable Officer is Forbes Dunlop.

A full list of the company directorships and other significant interests held by the Board members can be found on the **sportscotland** website at www.sportscotland.org.uk ([Our Board](#)).

Personal data related incidents

During 2024/25 **sportscotland** was not required to report any data breaches to the Information Commissioner's Office.

Statement of Accountable Officer's Responsibilities

Under Article 15 of its Royal Charter for **sportscotland**, the Accountable Officer for the Population Health Directorate has directed **sportscotland** to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. 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, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular 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 as set out in the Government Financial Reporting Manual 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.
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accountable Officer for the Population Health Directorate has appointed the Chief Executive of **sportscotland** as the Accountable Officer for **sportscotland**. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding **sportscotland's** assets, are set out in Managing Public Money published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that **sportscotland's** auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Statement that accounts are fair, balanced and understandable

So far as the Directors are aware, the annual report 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 2024/25.

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 2024/25 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. Our internal auditors' Annual Report confirmed that **sportscotland** has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

The internal auditor's periodic reporting acknowledged good progress made during 2024/25 to address recommendations from prior years covering business continuity, planning, risk management and corporate strategy among others. I remain committed to fully addressing the out-standing items with the relevant management teams during 2025/26.

I am also informed by comments made by the external auditors, Audit Scotland in its annual audit reports and in their role attending all Audit and Risk Committees.

Governance Framework

sportscotland's governance framework is based on **sportscotland's** Royal Charter and the Framework Document with the Scottish Government.

The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the statutory, parliamentary and administrative requirements, emphasises the need for economy efficiency and effectiveness and promotes good practice and high standards of propriety. **sportscotland** applies relevant sections of the SPFM to its governance framework. **sportscotland's** governance arrangements comply with generally accepted best practice and relevant guidance.

The key components of the governance framework are detailed below:

sportscotland Board

Throughout the year, the Board had 12 non-executive members, being Ministerial appointments, one of which is appointed as Chair (non-executive). The former Chair stepped down at the end of May 2024.

All 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. Board 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**.

A number of Board members' tenure ended during 2024/25, including the former Chair, with four members stepping down after the last Board of the year in February 2025. Five new members were appointed from 1 March 2025, following the Scottish Government's appointment process.

All six meetings in the 2024/25 financial year were held in-person. The attendance of the 12 non-executive members who held office during the year of the six meetings of 2024/25 was:

Member	Attendance
M Young (former Chair)	1 (of 1) (Chair until 31 May 2024)
M Campbell (Chair)	6 (of 6) (Chair from 1 June 2024)
A Bain	5 (of 6)
C Grant	4 (of 6)
S Lindsay	4 (of 6)
D McDonald	1 (of 6)
T Mistry	6 (of 6)
H Ousta	3 (of 6)
S Sandilands	6 (of 6)
S Sweeney	6 (of 6)
K U'ren	5 (of 6)
A Watt (vice Chair)	6 (of 6)

New board members were appointed with effect from 1 March 2025, with their first Board meeting as members on 28 April 2025.

The Board meets every two months and is responsible for the strategy, performance and the framework of internal control. The Board 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 Board. A combination of tailored Board and Committee agenda items and other Board 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 Board and on sub-committees of the Board.

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

Board Member Committees

The Board’s standing committees have written terms of reference clearly setting out their authority and duties – these are reviewed and approved by Board on an annual basis. There are two main Board Member committees – the Audit and Risk Committee and the People Development Committee.

Audit and Risk Committee

Membership of the Audit and Risk Committee consists of five non-executive Board members. The membership during the 2024/25 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 Board. **sportscotland** utilised a specialist business assurance provider, TIAA Ltd, as its internal auditors, who operate to standards defined in the *Government Internal Audit Public Sector Standards*. TIAA Ltd 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. This was the first year of engagement with TIAA Ltd having been appointed to take over the role of internal auditor from Azets LLP from the start of the 2024/25 financial year.

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 reviews the scope of the external 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. Following the annual review of Terms of Reference, the Committee shall take an enhanced oversight role on financial management information on behalf of Board from the start of 2025/26.

Member	Attendance
S Lindsay (Chair)	5 (of 5)
A Bain	4 (of 5)
M Campbell	4 (of 5)
H Ousta	1 (of 5)
A Watt	5 (of 5)

People Development Committee

The People Development Committee has a role to oversee all aspects of the internal People Strategy taking account of EDI, Culture and staff engagement.

The Committee is also responsible for Board Development including being 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 remuneration for Chair and Board Members is decided by the Scottish Government and thus this committee has no influence over its own pay award.

The Committee met three times during 2024/25. Membership of the People Development Committee during 2024/25 comprised:

Member	Attendance
C Grant (Chair)	3 (of 3)
M Campbell	1 (of 1)
T Mistry	3 (of 3)
S Sweeney	2 (of 3)
K U'ren	2 (of 3)

Internal Control

The Board Members acknowledge that they are responsible for the Group's system of internal controls and for reviewing the effectiveness of these controls. The Board Members have delegated the detailed design of the system of internal control to the directors who review the internal control framework on an ongoing 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 2024/25, **sportscotland's** Freedom of Information systems were fully operational and all requests received were completed within satisfactory timescales.

System and process improvements

sportscotland has had an ongoing focus on system and process improvements. Systems and processes have continued to evolve to take account of hybrid working patterns and new technologies, whilst ensuring that controls and governance were not reduced.

Operation of key systems and processes included:

- the finance system was successfully operated throughout the year, with electronic approvals now a fully embedded feature of the system;
- the HR and payroll system was fully accessible electronically and no paper records are generated;
- the Chief Executive and Accountable Officer and senior management continue to work closely with the Trust Company and to support the National Centres;
- the authorisation and payment process for all investment payments and documentation of the system operated effectively throughout the year; and
- the ICT team ensured ICT processes were reviewed and adapted where necessary to ensure compliance with Scottish Government cyber resilience requirements and to ensure ongoing compliance with GDPR.

The continued focus on procurement and active contract management ensured that **sportscotland** and its suppliers have continued to operate together as effectively as possible. **sportscotland** continues to make use of the Scottish Government and Crown Commercial procurement framework agreements where possible, in order to take advantage of the commercial benefits that they can deliver.

Information Security

During 2024/25, **sportscotland** implemented granular ICT controls around identity management to enhance security by managing, controlling, and monitoring access to critical resources. This initiative reduced the risk of unauthorised access and potential security breaches by ensuring that privileged roles were granted only when necessary and for a limited time.

sportscotland also participated in phase two of a Scottish Government pilot, on strengthening the organisation's security posture and working towards compliance with the Scottish Public Sector Cyber Resilience Framework v2.0. These activities centred on improving vulnerability and patch management, as well as refining processes related to software and hardware inventories.

Providing contemporary cyber security training for all staff remains a key focus **sportscotland's** ICT team in context of new threats arising. A new cyber awareness training platform was rolled-out to all staff and several scenario-based exercises were conducted. This included a tabletop exercise for the organisation's Incident Management Team. A new Cyber Incident Response supplier was sourced and procured, and options for a fully managed 24/7 information and event monitoring service were also investigated.

Data Sharing Agreements have been implemented with all sports governing bodies where personally identifiable data is shared. This ensures that all information is exchanged securely using approved, secure platforms.

The **sportscotland** Records Management Plan was rewritten and submitted to the National Records of Scotland for comment.

The organisation's Information Governance Steering Group continued to meet quarterly, providing leadership on cyber resilience and information governance. As well as regular reporting to Audit and Risk Committee.

Improving the sportscotland estate

During 2024/25, Caledonia House was put on the market for sale, with the Watersports Centre on the island of Cumbrae previously having been marketed to sell. Work is ongoing with prospective buyers into 2025/26.

The Estates Strategy Group, led by the Director of Operations, oversees **sportscotland** estates strategy together with maintenance and development plans for all our sites. This included the two remaining owned properties of our National Centres at Inverclyde and Glenmore Lodge as well as rented properties for office and performance spaces in Aberdeen, Dundee, Edinburgh, Glasgow and Stirling. The decision was made during the year to end the tenancy for the Inverness office.

In 2024/25 **sportscotland** commissioned a building conditions report carried out by external consultants as part of cyclical review of the condition of the main sites within the estate. This report informs the planned preventative maintenance schedule over the following five years and enables **sportscotland** to plan and budget accordingly. This was last carried out in 2019.

Potential future developments are considered alongside the business and financial planning process. Any significant development activity will be reviewed by Trust Company and **sportscotland** Board as necessary.

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 into 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 capture risks in our corporate risk register. The corporate risk register is reviewed by the **sportscotland** Board annually, by the Audit and Risk Committee every six months and by the senior management team on an ongoing basis. Specific attention is paid to risks that exceed the prescribed risk appetite level. There was significant development work undertaken during 2024/25 around our approach to risk appetite.

We apply risk appetite across five levels (none, low, medium, high and significant) applied by category of risk. We have adopted 11 risk categories with all except one assigned low or medium risk appetite. There was one new risk created at corporate level and one retired during 2024/25. There are four (out of 16) corporate risks where further mitigation action is required and progress is being closely monitored.

Significant risks facing sportscotland:

Risk	Category Appetite	Mitigation
Failure to deliver high priority and high-profile projects (e.g., community sport hubs, Active Schools, facilities, workforce development and performance sport) adversely affects the reputation of sportscotland .	Operations Moderate	Continue effective engagement with partners, including regular local meetings. On-going reference to Scottish Government and other policy guidance. Further develop impact monitoring and reporting on plans. Monitor the impact of partner budget constraints on the ability to deliver key priority / high profile projects. Introduction of Project Management Office.
The impact of a major operational matter at the National Centres operated by the sportscotland Trust Company, has a significant negative financial/legal impact on National Centres / Trust Company, requiring additional investment from sportscotland	Estates, H&S Low	Review of sportscotland self-insurance position and options. National Centre H&S Audit Integration of sportscotland H&S policies and Operational/Strategic H&S Working Groups.

Risk	Category Appetite	Mitigation
<p>If sportscotland does not have appropriate health & safety policies and procedures in place with associated actions, then we will fail to deliver our statutory requirements and expose the organisation to a risk of a serious adverse event and consequent reputational damage.</p>	<p>Estates, H&S Low</p>	<p>Health & Safety Operational Group and Committee set-up to provide oversight.</p> <p>Workplace risk assessments</p> <p>Estates strategy and associated building maintenance and investment plans</p> <p>Development of Annual H&S Training Plan.</p>

Risk	Category Appetite	Mitigation
<p>Reduced funding challenges local authorities' ability to deliver their plans / outcomes for sport, which may impact on sportscotland's ability to deliver its corporate strategy outcomes.</p>	<p>Estates, H&S Low</p>	<p>Opportunity to identify potential other partners to work with in local communities.</p> <p>Continue to monitor impact of local authority budget plans at local level through partnership managers</p> <p>Continue to extend the strategic support provided to all local authorities to develop fully integrated plans.</p> <p>Continue to maintain close ties with Scottish Government and political parties to raise awareness of impact and value of sport.</p> <p>Continue to work with COSLA to understand the changing Local environment with a focus on finance, people and places.</p> <p>Strategic review meetings with local partners.</p> <p>Targeted local authority inclusion plans and Active Schools and Community Sport Hubs inclusion projects through programme for government investment.</p> <p>Use the findings from research including facilities estates review, future of swimming facilities in Scotland and CLUK leisure trust impact to improve our understanding.</p>

Risk appetite levels and descriptions

Category	Definition	For example:	Risk appetite
Estates, Health and Safety	Risks arising from property deficiencies, inefficient safety management or poor corporate estates management as well as hazards to safety of staff, partners or customers. Note estates refers to owned or leased properties	Poorly maintained equipment / lighting, inadequate operational risk assessments, poor incident / accident management	Low
Information security	Risks arising from a failure to produce robust and appropriate data / data protection, information governance, cyber security, records management or to prevent unauthorised access.	Non-compliance with GDPR, unauthorized office access, data breaches.	Low
Legislative and regulatory	Risks that would result in non-compliance with legalisation or regulatory frameworks.	Actions incompatible with Public Sector Equality Duties, non-delivery of corporate parenting duties, failure to deliver biodiversity reporting	Low
Financial operations	Risks associated with the availability and management of investment to meet our financial obligations as they fall due. Note: We have no appetite for risks that leave us open to fraud / financial regulation breaches	Poor budgetary controls resulting in delayed payments or inefficient supplier management.	Low
People	Risks that impact sportscotland staff and their ability to deliver their duties, including non-compliance with people focused policies, resulting in negative impact on engagement, wellbeing and performance.	Non-compliance with relevant policies, unavailability of sufficient capacity / capability, poor staff engagement or negative staff wellbeing.	Low
Financial sustainability	Risks which may affect the sportscotland's financial sustainability and the failure to identify and address them including commercial decision making.	National Lottery income, Trust Company investment.	Moderate
Stakeholders	Risks in relation to sportscotland's capacity to identify, assess and engage appropriately with key partners and stakeholders in the sporting system.	Change in strategic direction of local authorities.	Moderate
Operations	Risks that affect the effectiveness and efficiency of day-to-day operations and result in failure to deliver the objectives in approved plans.	Programmes not aligned with strategic priorities, non-delivery of services, inadequate internal processes, impaired customer service or lack of innovation.	Moderate

Category	Definition	For example:	Risk appetite
Reputational	Risks arising from negative publicity regarding the governance, management, operations of sportscotland which may result in litigation, lead to a loss of confidence and/or have significant public / political interest.	Failure to deliver a high-profile project, unfavourable comments from third parties, governance failures.	Moderate
Technology	Risks which affect the cost, use, availability and pace of change in relation to the technology required to deliver key services and objectives in approved plans. Includes use of social media.	Inadequate or deficient system development, poor system management processes	Moderate
Political	Risks and uncertainties caused by changes to national or local political priorities which may result in changes in policy, approach and requirements.	Substantive changes to Scottish Government / UK policy, unaligned local political engagement	High

Remuneration and Staff Report

The tables on pages 42-46, together with the Fair Pay Disclosure note in the Remuneration and Staff Report have been subject to audit by the **sportscotland** External Auditor. The other sections in the Remuneration and Staff Report are reviewed by the External Auditor to ensure they are consistent with the financial statements.

Remuneration policy

sportscotland's staff pay award (up to and including Director level) is in line with Scottish Government's annual Pay Policy. All pay awards continue to require ministerial approval.

The Chief Executive pay award is in line with Scottish Government's Senior Pay Policy (Chief Executive Framework) and continues to require ministerial approval.

All directors' employment contracts are open ended and have three-month notice periods.

Salaries and Allowances (Audited)

The salary and pension entitlements of the most senior members of the **sportscotland** Group are as follows:

DIRECTORS		Salary and allowances	All pension related benefits	Total
Name		£000	£000	£000
F Dunlop (CEO)	2025	110 - 115	45 - 50	155 - 160
	2024	105 - 110	35 - 40	140 - 145
R Steven (Dir. Of Operations)	2025	85 - 90	25 - 30	115 - 120
	2024	40 - 45	10 - 15	55 - 60
C Burn (Dir. of Sport)	2025	85 - 90	25 - 30	115 - 120
	2024	40 - 45	10 - 15	55 - 60

The only benefits normally received by Directors are salary and employer contributions to the pension fund. There was no performance pay nor bonuses payable across the organisation. A benefit of less than £500 was received by C Burn in the form of a company car lease.

Senior Staff Members

Salary Range	2025	2024
£60,000 to £70,000	35	34
£70,001 to £80,000	18	18
£80,001 to £90,000	2	2
£90,001 to £100,000	3	3
£100,001 to £110,000	1	1

The salary ranges are based on Full Time Equivalent salary.

BOARD MEMBERS		Salary (FTE)	Pension related benefits	Total (FTE)	Salary & Total (in-year / pro-rata)
M Campbell (Chair)	2025	20-25	-	20-25	15-20
	2024	0-5	-	0-5	0-5
M Young (former Chair)	2025	15-20	-	15-20	0-5
	2024	15-20	-	15-20	15-20
A Bain	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
C Grant	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
S Lindsay	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
D McDonald	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
T Mistry	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
H Ousta	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
S Sandilands	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
S Sweeney	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
K U'ren	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5
A Watt	2025	0-5	-	0-5	0-5
	2024	0-5	-	0-5	0-5

M Young resigned as Chair of Board with effect of 31st May 2024, and M Campbell was appointed as a Chair with effect from 1st June 2024. Their respective remuneration is shown in the table above as both full-time equivalent (FTE) and in-year pro-rata. For all other Board members the full-time equivalent and pro-rata are the same.

The only benefits received by Board members are Board member fees. There was no performance pay nor bonuses payable across the organisation.

No payments were made in relation to the period covered by these financial statements for the new Board Members who were appointed in March 2025. There were no formal Board or Committee meetings held in March for which payment was due.

Directors' Pension Entitlements (Audited)

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 2025	Cash equivalent transfer value 2024	Real Increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
F Dunlop	2.5-5.0	n/a	45-50	n/a	187	142	45
R Steven	0-2.5	n/a	25-30	n/a	35	11	24
C Burn	0-2.5	n/a	25-30	n/a	40	13	27

As shown in table on Page 42, these pension entitlements are based on and reflective directors' full year equivalent salaries for the year, which were: F Dunlop £110-115k (£105-110k 2023/24), M Roberts £nil (£95-100k 2023/24), R Steven (was Barrington) £85-90k (£85-90k 2023/24) and C Burn £85-90k (£85-90k 2023/24).

Fair Pay Disclosure (Audited)

	2025	2024	Change
Range of staff remuneration	£24,871- £112,500	£23,371- £107,500	4.6 – 6.4%
Staff average (salary and allowances)	£45,663	£43,753	4.4%
Highest earning director's total remuneration	£110-115k	£105-110k	4.4%
Explanation of change: The £1,500 increase of the lowest pay grade was in line with Scottish Government guidance on pay awards, which recommended a cash underpin of £1,500 for public sector workers who earn £25,000 or less. The 4.4% increase in highest earning director's total remuneration is also in line with the recommended average salary increase of 3.5%.			
Median (total pay and benefits)	£42,717	£41,473	£1,244
Median (salary only)	£42,717	£41,473	£1,244
Ratio between highest earning director's total remuneration and the median	2.63	2.59	0.04
Explanation of change: The 2.9% increase in median pay relates to the pay award in the year and is in line with the recommended average salary increase of 3.5%. The increase in ratio between highest earning director's total remuneration and median is minimal, as would be expected.			
25 th percentile (total pay and benefits)	£35,347	£33,308	£2,039
25 th percentile (salary only)	£35,347	£33,308	£2,039
Ratio between highest earning director's total remuneration and the 25 th percentile	3.18	3.23	(0.05)
Explanation of change: The 5.8% increase in 25 th percentile pay relates to the pay award of £1,500 for public sector workers who earn £25,000 or less. The decrease in ratio between highest earning director's total remuneration and 25 th percentile is minimal, as would be expected.			
75 th percentile (total pay and benefits)	£50,696	£49,219	£1,477
75 th percentile (salary only)	£50,696	£49,219	£1,477
Ratio between highest earning director's total remuneration and the 75 th percentile	2.22	2.18	0.04
Explanation of change: The 2.9% increase in 75 th percentile pay relates to the pay award in the year.			

The increase in ratio between highest earning director's total remuneration and 75% percentile is minimal, as would be expected.

Total pay and benefits:

There was no performance pay nor bonuses payable across the organisation.

The highest paid director earned £110k-£115k (£105k-£110k for 2023/24), an increase of 4.4% from the previous financial year. The increase is broadly in line with the recommended average salary increase of 3.5%. The percentage change in performance pay and bonuses payable from the previous financial year in respect of the highest paid director is zero, as there was no performance pay nor bonuses payable.

The percentage change in average salary and allowances from the previous financial year in respect of the employees of **sportscotland** taken as a whole is 4.4%. The increase is broadly in line with the recommended average salary increase of 3.5%. The percentage change in performance pay and bonuses payable from the previous financial year in respect of the employees of **sportscotland** taken as a whole is zero, as there was no performance pay nor bonuses payable.

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 Chairs during the year, Maureen Campbell and Mel Young are remunerated through **sportscotland** and no recharges to the **sportscotland** Lottery Fund take place therein.

Remuneration is paid to board members at the day rate of £191.51 for each meeting attended, along with a £95.76 payment for preparation for a board meeting. Attendance at People and Audit and Risk Committee meetings is paid at the same rate. Attendance at Trust Company Board is not paid, in line with the charitable status of the Trust Company.

sportscotland operates a car leasing scheme for essential users. Payments made during 2024/25 were £334k (2023/24: £314k).

sportscotland made payments of £226k to consultants during 2024/25 (2023/24: £131k).

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 as at the reporting period end date is as follows:

	Male		Female	
	Permanent	Temporary	Permanent	Temporary
Board members	7	n/a	5	n/a
Directors	2	-	1	-
Senior Managers	13	-	6	-
Employees	158	11	138	18

Total staff costs comprise (Audited)

	sportscotland	
	2025	2024
	£000	£000
Wages and salaries	8,483	7,150
National Insurance costs	954	810
Pension costs	485	1,369
IAS19 Adjustment	3,243	(178)
Aggregate staff costs	<u>13,165</u>	<u>9,151</u>

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

Reporting of Civil Service and other compensation schemes – exit packages (Audited)

Exit package band	2025	2025	2025	2024
	Number of compulsory redundancies	Number & value of other departures agreed	Total number & value of exit packages by cost band	Total number & value of exit packages by cost band
<£10,000	-	4 / £14k	4 / £14k	-
£10,000 - £25,000	-	3 / £65k	3 / £65k	-
£25,000 - £50,000	-	6 / £232k	6 / £232k	1 / £25k
>£50,000	-	13 / £1,002k	13 / £1,002k	1 / £55k
Total number of exit packages	-	26	26	2
Total resource cost (£000)	-	1,313	1,313	80

Exit costs in current year relate to voluntary exit and settlement agreements. The severance or ex-gratia payments and associated legal costs are accounted for in full in the year of signature of agreement. A voluntary severance scheme was approved by Scottish Government in the year.

Sickness absence rate

Sickness absence rate during the year was 1.5% (2023/24: 1.7%).

People

Our people are our most valued asset at **sportscotland** and they are critical to the successful delivery of our corporate strategy, Sport For Life, and are supported through our people strategy. The vision of our people strategy is to be a high-performing

organisation with strong, inspirational leadership and an engaged, motivated, kind, healthy and supportive workforce with the knowledge and skills to achieve our organisational objectives, within an environment and culture where everyone can thrive.

Equality, Diversity and Inclusion (EDI)

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. Our commitment to inclusion underpins everything we do. We embed EDI principles in the recruitment, support and development of our people. We continue to learn more about our people’s culture and experiences. We will continue to support our staff to learn more about how to make inclusive decisions and a series of EDI workshops are planned as part of our ‘Sport for Life Academy’ Learning and Development programme, along with a new suite of bespoke **sportscotland** EDI e-learning courses to be completed as part of induction and for further learning.

Employee Involvement

sportscotland recognises one trade union for the purpose of collective bargaining, Public and Commercial Services Union (PCS).

We recognise the benefits of a positive and open relationship with our recognised trade union. As part of our commitment to working in partnership we offer paid facility time to our workplace representatives to enable them to carry out union activities and duties. As an organisation, we derive benefits from allowing paid facility time.

The figures below are based on reported and known facility time.

- Relevant Union Officials – total number of employees who were relevant union officials during the relevant period – 3 employees (3.0 FTE).
- Percentage of working hours spent on facility time – number of employees who were relevant union officials employed during the relevant period spent:

Percentage of working hours	Number of Union Officials
0%	0
1 – 50%	3
51 – 99%	0
100%	0

- Percentage of pay bill spent on facility time – 0.02%
- Paid trade union activities - Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: 18%

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. We have worked in partnership with ACAS on the design and delivery of workshops on all employee relations policies to help empower our line managers to effectively manage people. The proposal for our new ‘Sport

for Life Academy' Learning and Development programme incorporates a specific managers induction that covers employee relations matters including wellbeing and EDI matters. This is alongside a management development programme which encompasses a suite of skills development workshops, coaching and social learning to build competency and create consistency in our approach to management across the organisation. Managers will also be expected to complete mandatory EDI e-learning modules on inclusion and belonging, and allyship.

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 2024/25 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 (2023-2026), 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 2023-2026, as set out in the Strategic Guidance Letter focus on delivering a more active Scotland in line with the Active Scotland Outcome Framework, using the power of sport and physical activity, not only to improve physical health and thereby reduce inequalities, but also to improve mental wellbeing, strengthening communities, improving confidence and employability, and more generally improving an individual's life. Strategic priorities are set out as follows:

- Focus on reducing inequalities in sport and physical activity to:
 - Tackle racism and racial inequality in a sport.
 - Reduce cost barriers to sport.
 - Increase participation and visibility of girls and women in sport.
- Work with partners to provide accessible and inclusive opportunities for children and young people to be active in the schools and education environment to:
 - Ensure that the Active Schools programme is free for all children and young people by the end of this parliament.
 - Work with key partners to contribute to the development and delivery of Physical Education, Physical Activity and Sport (PEPAS), as part of the Health and Wellbeing curriculum.
 - Support schools with water safety and learning to swim.
- Support sports clubs and community organisations to provide accessible and inclusive sport and physical activity opportunities:
 - Strengthen Community Sport Hubs.
 - Work with communities and key partners to facilitate and support the provision of accessible, inclusive, and sustainable facilities.
- Place inclusion and welfare at the centre of the high-performance sport environment that prepares and supports athletes to deliver consistent success on the world stage:
 - Support a diverse and inclusive performance sport environment.
 - Prioritise the welfare of athletes and others involved in performance sport.
- Provide leadership to develop and sustain strategic partnerships that help **sportscotland** to deliver our joint vision, including partnerships with non-traditional partners.

National Lottery funding for 2024/25 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	Glenmore Lodge	2025 Total
	£000	£000	£000
Course Fees	1,513	963	2,476
Hires, Sales and Hospitality	672	868	1,540

Course fees represent income from a wide selection of courses, ranging from beginners courses in paddle sports and mountain skills to key "train the trainer" courses for industry expert qualifications. As a result, the course range and frequency are 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 national centres.

Contingent Liabilities

The group has no outstanding litigation claims to disclose as at 31 March 2025 (2024: one, £0.05m).

Long-term expenditure trends

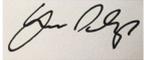
sportscotland’s expenditure is driven by the funding provided by the Scottish Government (SG) through grant-in-aid and by the National Lottery distribution fund (NLDF). The funding received from these two entities over the last 5 years is set out below, together with the budget for 2025/26 and forward projection for 2026/27:



Note: SG Funding for 2025/26 is based on a current Grant in Aid letter. SG Funding for 2026/27 has been estimated as it will not be known until later in 2025/26.

NLDF Funding for 2025/26 and 2026/27 is based on The National Lottery licence holder near-term forecast revenue. NLDF Balance spend represents planned capital spend and use of balance to support planned investment.

Forbes Dunlop
Chief Executive and Accountable Officer



19 September 2025

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

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of sportscotland and its group for the year ended 31 March 2025 under Article 15 of the Royal Charter of the Scottish Sports Council (the Royal Charter). The financial statements comprise the Consolidated Statement of Comprehensive Net Expenditure, the Consolidated Statement of Changes in Taxpayers' Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the affairs of the body and its group as at 31 March 2025 and of the net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 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 16 March 2023. My period of appointment is five years, covering 2022/23 to 2026/27. 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 concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the body and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the body and its group. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's 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 there is an intention to discontinue the body's operations.

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 decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that Article 15 of the Royal Charter and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result 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 skilfulness 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.

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.

Reporting 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. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, 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.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

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

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

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 parts 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 108 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.

Pauline Murray CPFA
Senior Audit Manager *Pauline Murray*
Audit Scotland
4th Floor
102 Westport
Edinburgh
EH3 9DN

19 September 2025

**Consolidated Statement of Comprehensive Net Expenditure
for the year ended 31 March 2025**

	Notes	Group		sportscotland	
		2025 £000	2024 £000	2025 £000	2024 £000
Income					
Income from Activities	2	4,195	3,953	-	-
Other operating income	2	1,229	1,356	1,047	1,174
		5,424	5,309	1,047	1,174
Expenditure					
Trust Company Funding	3	-	-	(4,685)	(5,825)
Sports development and capital grants	3	(20,032)	(20,001)	(20,032)	(20,001)
Staff costs	4	(18,440)	(13,663)	(13,165)	(9,151)
Other operating charges	5	(10,537)	(7,863)	(3,216)	(2,457)
		(49,009)	(41,527)	(41,098)	(37,434)
Net Expenditure		(43,585)	(36,218)	(40,051)	(36,260)
Interest receivable		176	206	176	206
IAS 19 interest	15	(100)	8	(90)	7
IFRS 16 financing charge	7	(29)	(35)	(29)	(35)
Net Expenditure after interest		(43,538)	(36,039)	(39,994)	(36,082)
Corporation tax	20	(44)	(45)	(44)	(45)
Net Expenditure after taxation		(43,582)	(36,084)	(40,038)	(36,127)
Other Comprehensive Income / Expenditure					
Gain/(Loss) on revaluation of assets	8	(2,085)	21	-	(670)
Actuarial gain/(loss)	15	4,018	(200)	3,358	(399)
Total Comprehensive Net Expenditure		(41,649)	(36,263)	(36,680)	(37,196)

The notes to the accounts form part of these financial statements.

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Group

2025	General Fund	Property Revaluat'n Reserve	Pension Reserve	Total
	£000	£000	£000	£000
Opening Balance	33,626	2,574	(27)	36,173
Net expenditure after taxation	(43,582)	-	-	(43,582)
Net gain/(loss) on asset revaluation	-	(2,085)	-	(2,085)
Remeasurement of Pensions	4,180	-	(162)	4,018
Grant in Aid	35,350	-	-	35,350
Closing Balance	29,574	489	(189)	29,874

2024 restated	General Fund	Property Revaluat'n Reserve	Pension Reserve	Total
	£000	£000	£000	£000
Opening Balance (restated)	35,203	1,883	-	37,086
Net expenditure after taxation	(36,084)	-	-	(36,084)
Net gain/(loss) on asset revaluation	(670)	691	-	21
Remeasurement of Pensions	(173)	-	(27)	(200)
Grant in Aid	35,350	-	-	35,350
Closing Balance	33,626	2,574	(27)	36,173

Presentation of the Taxpayer's Equity has been restated from 2023/24 published accounts to separately show the Property Revaluation Reserve that was not previously specifically identified. See notes 14 and 23 for further explanation.

This restatement affects Group only and not sportscotland accounts. The original table from 2023/24 published accounts are shown below for reference.

2025	General Fund	Pension Reserve	Total
	£000	£000	£000
Opening Balance	8,508	(214)	8,294
Net expenditure after taxation	(40,038)	-	(40,038)
Net gain/(loss) on asset revaluation	-	-	-
Remeasurement of Pensions	3,333	25	3,358
Grant in Aid	35,350	-	35,350
Closing Balance	7,153	(189)	6,964

2024	General Fund	Pension Reserve	Total
	£000	£000	£000
Opening Balance	10,140	-	10,140
Net expenditure after taxation	(36,127)	-	(36,127)
Net gain/(loss) on asset revaluation	(670)	-	(670)
Remeasurement of Pensions	(185)	(214)	(399)
Grant in Aid	35,350	-	35,350
Closing Balance	8,508	(214)	8,294

The notes to the accounts form part of these financial statements.

Consolidated Statement of Financial Position at 31 March 2025

	Notes	2025 £000	Group 2024* £000	2023* £000	sportscotland 2025 £000	2024 £000
Non-current assets						
Property, plant and equipment	6	25,032	29,928	29,524	211	795
Right of use assets	7	1,967	2,232	2,430	1,967	2,232
Investment property	8	-	950	1,620	-	950
Assets held for sale	8	1,210	230	230	1,210	230
Intangible assets	9	81	104	33	-	-
Total non-current assets		28,290	33,444	33,837	3,388	4,207
Current assets						
Inventories	10	22	26	17	-	-
Trade and other receivables	11	1,492	1,507	1,485	1,402	1,327
Cash and cash equivalents	16	7,308	6,919	8,106	7,051	6,667
Total current assets		8,822	8,452	9,608	8,453	7,994
Total assets		37,112	41,896	43,445	11,841	12,201
Current liabilities						
Trade and other payables	12	(3,852)	(2,158)	(2,743)	(2,036)	(982)
Lease liabilities	7	(571)	(537)	(461)	(571)	(537)
Total current liabilities		(4,423)	(2,695)	(3,204)	(2,607)	(1,519)
Total assets less net current liabilities		32,689	39,201	40,241	9,234	10,682
Non-current liabilities						
Lease Liabilities over 1 year	7	(1,181)	(1,298)	(1,453)	(1,181)	(1,298)
Creditors over 1 year	12	(545)	(727)	(909)	-	-
Pension liability	15	(189)	(27)	-	(189)	(214)
Provisions	13	(900)	(976)	(793)	(900)	(876)
Total non-current liabilities		(2,815)	(3,028)	(3,155)	(2,270)	(2,388)
Assets less liabilities		29,874	36,173	37,086	6,964	8,294
Taxpayers' equity						
General fund excluding pension reserve	14	29,574	33,626	35,202	7,153	8,508
Property Revaluation Reserve	14	489	2,574	1,884	-	-
Pension reserve	15	(189)	(27)	-	(189)	(214)
General Fund		29,874	36,173	37,086	6,964	8,294

* Restated 2024 and 2023 Group figures are provided as revised closing balance (as at 31/03/2024) and opening balance (as at 01/04/2024) for FY 2023/24 respectively for update to Taxpayer's Equity section. This is also detailed on the prior page. No change to sportscotland.

The Accountable Officer authorised these financial statements for issue on: 19 September 2025

Forbes Dunlop (CEO & Accountable Officer)

Maureen Campbell (Chair)



19 September 2025



19 September 2025

The notes to the accounts form part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 March 2025

	Notes	Group		sportscotland	
		2025 £000	2024 £000	2025 £000	2024 £000
Cash flows from operating activities					
Net operating cost before Scottish Government funding		(43,582)	(36,084)	(40,038)	(36,127)
Adjustment for non-cash items					
IAS 19 adjustments	15	4,180	(173)	3,333	(185)
Depreciation of property, plant and equipment	6	769	819	95	85
Depreciation of right of use assets	7	617	728	617	727
Amortisation of intangible fixed assets	9	32	18	-	-
(Increase) / decrease in inventories	10	4	(8)	-	-
(Increase) / decrease in trade and other receivables	11	15	(22)	(75)	21
Increase / (decrease) in trade and other payables	12	1,512	(767)	1,054	(529)
Increase/ (decrease) in provisions	13	89	100	189	-
Financing Charge	7	29	35	29	35
Net cash outflow from operating activities		<u>(36,335)</u>	<u>(35,354)</u>	<u>(34,796)</u>	<u>(35,973)</u>
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(905)	(533)	(165)	-
Impairment on property assets	5	2,918	-	625	-
Purchase of intangible assets	9	(9)	(89)	-	-
Net cash outflow from investing activities		<u>2,004</u>	<u>(622)</u>	<u>460</u>	<u>-</u>
Cash flows from financing activities					
Payment of finance lease liabilities	7	(630)	(561)	(630)	(560)
Net cash outflow from financing activities		<u>(630)</u>	<u>(561)</u>	<u>(630)</u>	<u>(560)</u>
Scottish Government funding for year		<u>35,350</u>	<u>35,350</u>	<u>35,350</u>	<u>35,350</u>
Net increase /(decrease) in cash and cash equivalents	16	389	(1,187)	384	(1,183)
Cash and cash equivalents as at 1 April		<u>6,919</u>	<u>8,106</u>	<u>6,667</u>	<u>7,850</u>
Cash and cash equivalents as at 31 March	16	<u>7,308</u>	<u>6,919</u>	<u>7,051</u>	<u>6,667</u>

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.

The accounts are produced on a going concern basis. 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 2025/26 has already been given and there is no reason to believe that future approvals will not be forthcoming. Management have accordingly considered it appropriate to adopt a going concern basis for the preparation of these financial statements.

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 2024.

1.3 Key sources of significant judgement

As required by IAS 1, the below disclosures sets out the judgements management have made in applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. These exclude judgements in respect of estimates which are disclosed separately (note 1.4).

Contingent Liabilities and Provisions

Estimations of the potential future costs of any ongoing litigation cases are given by lawyers WJM. A judgement is then made by management as to whether to make a provision or disclose them as a contingent liability, in line with International Accounting Standard 37: IAS 37 Provisions, Contingent Liabilities and Contingent Assets. As at 31/03/2025 it has been judged that no provision or contingent liability is required.

Investment Property

Under International Accounting Standard 40: Investment Property, elements of Caledonia House in Edinburgh were previously classified as an investment property. Significant professional judgement was applied in the attribution of proportion of the overall asset between normal use asset (PPE) and investment property. This property is now listed for sale and as such has been classified as an asset held for sale valued at the expected sale price less cost of sale.

Land and Buildings

Land and Buildings are professionally revalued every 5 years. Glenmore Lodge and Inverclyde National centres have been valued as at 31 March 2025. The next valuation will be due on 31 March 2030. **sportscotland** relies on the professional expertise and judgement of VOA in provision and assurance of these asset values.

Between valuations **sportscotland** uses indexation data to assess whether there is a material impact on cost and adjust where material, which is an estimation uncertainty.

Leases

Leases are recognised as right of use assets in line with International Financial Reporting Standard 16: Leases, unless the term covers less than 12 months or the underlying asset is of low value. An annual judgement is made by management on low value leases not being applicable to IFRS16 disclosure.

Intercompany Recharges

Many costs are incurred by **sportscotland** on behalf of the **sportscotland** National Lottery Distribution Fund. The apportionment of costs between the two entities for each category of spend is approved by the Audit and Risk Committee annually and costs are allocated throughout the year.

Services are also provided to the **sportscotland** Trust Company and recharged at the end of the year. This intercompany adjustment is reflected in the individual accounts and nets off for the Group accounts.

Legal entity consolidation boundary

sportscotland assess on an annual basis the entities that should be included within consolidation and accounting boundary in line with FReM definition of control. There is no change in management's assessment for 2024/25 from prior years

1.4 Key sources of estimation uncertainty

The below disclosures sets out information on the assumptions made by management about the future, and other major sources of estimation uncertainty, that have a significant risk of resulting in a material adjustment to the carrying amounts within the next financial year. This focuses assets and liabilities whose carrying amount relies on estimates which are dependent on complex judgements for which there is a risk that correction or re-estimation with material effect during future year.

Pensions

A valuation of the pension scheme was carried out by Hymans Robertson actuaries based on a number of complex judgements including the discount rate, salary increase rate, retirement ages, mortality rates and expected returns on pension fund assets. Note 15 provides further information on the

net pension liability and the sensitivity of carrying amounts to changes, as well as the application of asset ceiling.

Provisions

Estimations have been applied in calculation of provision for cost of exit packages not yet concluded as at year-end. These estimations are based on existing mechanism for calculation of agreed exit packages.

Land and Buildings

The estimated useful life of all assets used in the depreciation calculations are based upon asset category. The annual review confirms the useful economic life set out in note 1.6 remain applicable for 2024/25.

1.5 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.

1.6 Property, plant and equipment depreciation, revaluation and impairment

Land and buildings together with related equipment at the National Centres are provided by **sportscotland**. These assets are capitalised in the financial statements at the original cost to **sportscotland**. Land and Buildings are adjusted for subsequent revaluations, carried out by the District Valuer Service (DVS), Royal Institution of Chartered Surveyors (RICS) Chartered Surveyors, every 5 years. The valuation methodology applied for each property is aligned to the nature and use of the specific property, for example market value or Depreciated Replacement Cost (DRC). A valuation was carried out as at the 31st March 2025. The next valuation will be due on 31 March 2030. Between valuations **sportscotland** uses indexation data to assess whether there is a material impact on cost and adjust where necessary.

As part of the revaluation cycle in 2025, **sportscotland** took the opportunity to revise calculation and valuation methodology on DRC to be excluding VAT. This revised approach is in line with VAT registered public bodies and consistent with the rest of **sportscotland** asset-base reporting – excluding VAT.

In accordance with IAS 16 *Property, Plant and Equipment*, the Group applies the revaluation model. Under this model, assets are carried at their fair value, based on periodic valuations by our qualified external valuers.

During the current reporting period, a downward revaluation was recognised in respect of Inverclyde. The decrease in carrying amount has been accounted for as follows:

- A charge was recognised in Other Comprehensive Income / Expenditure and revision of the property-specific Revaluation Reserve, to the extent of any existing revaluation reserve balance previously recognised for the Inverclyde.
- The remaining was recognised with Net Expenditure, as it exceeded the balance in the revaluation surplus for Inverclyde brought forward.

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 in the first instance accounted for in property-specific Revaluation Reserves within Taxpayer's Equity.

In accordance with IAS 36, *Impairment of Assets*, and IFRS 5, *Impairment of Property Asset Held for Sale* assets are reviewed at the end of each accounting period for impairment. During the current reporting period Caledonia House was reclassified as Asset Held for Sale. Upon reclassification as held for sale, it was measured at the lower of its carrying amount and fair value less costs to sell. The associated impairment loss in moving from its carrying value to fair value less costs of sale, has been recognised within Net Expenditure.

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

Other than for land and property, a depreciated historical cost basis has been adopted 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 is advised of any assets that have been disposed during the year. This is backed up by an annual asset audit check which entails checking the accuracy of the fixed asset register by verifying the location and condition of assets across the group estate.

1.7 Non-current assets held for sale

Non-current assets intended for disposal are reclassified as 'Assets Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- The sale must be highly probable i.e.:
 - Management are committed to a plan to sell the asset.
 - An active programme has begun to find a buyer and complete the sale.
 - The asset is being actively marketed at a reasonable price.
 - The sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'.
 - The actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.
- Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. The revaluation

amount is transacted to the Statement of Comprehensive Net Expenditure (SOCNE). Assets are de-recognised when all material sale contract conditions have been met.

1.8 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'.

1.9 Other income

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

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value which is based on estimated selling price.

1.11 Taxation, including deferred taxation

sportscotland is assessed to corporation tax annually, based on bank interest and rental incomes received. The corporate tax rate of 25% applies to the taxable profits. 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 HM Revenue and Customs as having charitable status and, as such, is exempt from corporation tax.

1.12 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 based on actual payments made.

1.13 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).

Strathclyde Pension Fund (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.

Scottish Teachers Superannuation Scheme (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.

1.14 Leases

The main categories of leases held by **sportscotland** are for vehicles and office space, which are treated as finance leases and right of use assets under International Financial Reporting Standard 16: Leases. IFRS 16, as adapted and interpreted by the FReM, has been applied with the initial application date of 1 April 2022. Under IFRS 16 **sportscotland** recognises assets where they consider they have exclusive right to use the asset (right-of-use assets) and the lease liability for most leases on the balance sheet. Recognition exemptions have been applied for short-term and low-value leases, such as the lease of office photocopiers.

At transition, lease liabilities were measured at the cost excluding VAT of the remaining lease payments at 1 April 2022. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The definition of a lease under IFRS 16 has been applied to contracts entered after the 1 April 2022. Upon lease commencement a right-of-use asset is recognised measured at cost, being the initial amount of lease liability. The right-of-use asset is subsequently depreciated, in the same way as other assets of the same type, using a straight-line method from the commencement date over the lease term, which is equal to, or shorter than, the asset's useful life. The right-of-use asset will be periodically reviewed to account for any potential impairment losses and any material remeasurement of the lease liability.

Upon commencement of a new lease **sportscotland** recognises a lease liability measured at cost excluding VAT of unpaid lease payments. Finance charges are calculated on the balance at the start of the year using discount rates published annually via Public Expenditure System papers.

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

The Government Financial Reporting manual requires non-departmental public bodies 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 Standards that have been issued but have not yet been adopted

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

1.19 IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, replaces IAS 1 Presentation of Financial Statements and is a new standard that will be effective for annual reporting periods beginning on or after January 1, 2027, in the private sector. The Public Sector implementation date is not yet confirmed. The impact of IFRS 18 on the public sector is still being assessed.

2 Income

2.1 Income from activities

Income from the normal activities of the national sports centres:

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Course fees	2,476	2,473	-	-
Hires, sales and hospitality	1,540	1,282	-	-
Other income	179	198	-	-
	<u>4,195</u>	<u>3,953</u>	<u>-</u>	<u>-</u>

2.2 Other operating income comprises:

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Rental income	135	160	135	160
High performance income	516	551	516	551
Donations	182	182	-	-
Grants Repaid	376	265	376	265
Miscellaneous income	20	198	20	198
	<u>1,229</u>	<u>1,356</u>	<u>1,047</u>	<u>1,174</u>

2.3 Discontinued operations

Following on from an extensive, detailed business review, the Board took the difficult decision to discontinue operations at Cumbrae Watersports Centre and close the centre from 30 September 2020. It has remained closed since, with only essential maintenance taking place.

This has been treated as a discontinued operation in the Trust Company annual statements. The Statement of Financial Activities from those statements is shown below:

The Scottish Sports Council Trust Company Statement of Financial Activities
(incorporating the Income and Expenditure Account) For the year ended 31 March 2025

	Note	Continuing Operations			Discontinuing Operations			Total 2025	Total 2024
		Unrestricted Funds	Restrict ed Funds	Total Funds	Unrestrict ed Funds	Restrict ed Funds	Total Funds		
		£000	£000	£000	£000	£000	£000		
Income from									
Donations and legacies	5	3,936	749	4,685	-	-	-	4,685	5,825
Income from other trading activities	5	179	-	179	-	-	-	179	198
Charitable activities	5	4,198	-	4,198	-	-	-	4,198	3,937
Total income		8,313	749	9,062	-	-	-	9,062	9,960
Expenditure on									
Expenditure on raising funds	7	(629)	-	(629)	(1)	-	(1)	(630)	(482)
Charitable activities	7	(11,951)	-	(11,951)	(24)	-	(24)	(11,975)	(9,175)
Total expenditure		(12,580)	-	(12,580)	(25)	-	(25)	(12,605)	(9,657)
Net (expenditure)/income		(4,267)	749	(3,518)	(25)	-	(25)	(3,543)	303
Transfers between funds		749	(749)	-	-	-	-	-	-
Net (expenditure)/income before other recognised gains and losses		(3,518)	-	(3,518)	(25)	-	(25)	(3,543)	303
Other recognised gains/(losses)									
Gain/(loss) on revaluation of assets	10	489	-	489	-	-	-	489	-
Actuarial gain/(loss) on defined benefit pension schemes	18	660	-	660	-	-	-	660	(61)
Net movement in funds	9	(2,369)	-	(2,369)	(25)	-	(25)	(2,394)	242
Total funds at 1 April 2024	19,20	25,390	-	25,390	(86)	-	(86)	25,304	25,062
Total funds at 31 March 2025	19,20	23,021	-	23,021	(111)	-	(111)	22,910	25,304

3 Grants paid

3.1 Sports development

	Group		sportscotland	
	2025	2024	2025	2024
Revenue grants	£000	£000	£000	£000
Schools and Education	13,425	13,060	13,425	13,060
Clubs and Communities	4,051	3,968	4,051	3,968
Performance	2,184	2,262	2,184	2,262
Total revenue grants	19,660	19,290	19,660	19,290

This expenditure excludes any staff salary costs and administration costs which are disclosed separately under notes 4.1 and 5 respectively.

3.2 Grants for capital facilities

	Group		sportscotland	
	2025	2024	2025	2024
Capital grants	£000	£000	£000	£000
National, including competition and training	372	711	372	711
Total capital grants	372	711	372	711
Total revenue and capital grants	20,032	20,001	20,032	20,001

3.3 Trust Company Funding

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Revenue	-	-	3,936	5,203
Capital	-	-	749	622
Total	-	-	4,685	5,825

4 Staff costs

4.1 Total staff costs comprise

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Wages and salaries	12,317	10,660	8,483	7,150
National Insurance	1,334	1,155	954	810
Pension costs	699	2,013	485	1,369
IAS19 Adjustment	4,090	(165)	3,243	(178)
Aggregate staff costs	18,440	13,663	13,165	9,151

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

The aggregate staff costs are split between operational areas as follows:

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Sports Development	1,533	1,580	1,533	1,580
High Performance	6,175	5,501	6,175	5,501
Corporate Services	2,214	2,248	2,214	2,248
Trust Company	4,428	4,499	-	-
IAS19 Adjustment	4,090	(165)	3,243	(178)
	18,440	13,663	13,165	9,151

4.2 Average staff numbers

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

	Group	
	2025	2024
	Numbers	Numbers
sportscotland	152	169
Trust Company	118	123
	270	292

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

5 Other operating charges

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Operating result after charging:				
General operating costs	4,538	4,819	1,167	969
Travel and subsistence:				
Members of Board	2	3	2	3
Staff	59	48	59	48
Research	28	25	28	25
Accommodation costs	1,427	1,279	581	586
Auditors' remuneration – External	56	52	43	39
Auditors' remuneration – Internal	16	19	16	19
Rent and facilities access	127	117	127	117
Vehicle costs	183	133	91	36
Other Equipment	13	12	13	12
IFRS 16 Depreciation Non-Property	320	272	320	272
IFRS 16 Depreciation Property	298	456	298	456
Lease charges recharged to sportscotland	(249)	(210)	(249)	(210)
National Lottery Distribution Fund				
Depreciation of property, plant and equipment	769	820	95	85
Amortisation of intangible assets	32	18	-	-
Impairment of Asset Held for Sale	625	-	625	-
Impairment of Asset at Revaluation	2,293	-	-	-
	10,537	7,863	3,216	2,457

6 Property, Plant and Equipment

6.1 Group

2025	Land and Buildings	Fixtures and Fittings	Equip-ment	Motor Vehicles	Total
	£000	£000	£000	£000	£000
Cost/valuation at 1 April 2024	31,518	58	2,162	213	33,951
Additions in the year	740	-	165	-	905
Disposals in the year	-	(5)	(183)	-	(188)
Transfer to asset held for sale	(700)	-	-	-	(700)
Revaluations in the year	(6,916)	-	-	-	(6,916)
Cost/valuation at 31 March 2025	24,642	53	2,144	213	27,052
Aggregate depreciation at 1 April 2024	2,052	58	1,730	183	4,022
Charge for the year	531	-	219	19	769
Transfer to asset held for sale	(45)	-	-	-	(45)
Derecognition/disposals	-	(5)	(184)	-	(189)
Effect of Revaluation in year	(2,538)	-	-	-	(2,538)
Aggregate depreciation at 31 March 2025	-	53	1,765	202	2,020
Net Book Value at 31 March 2025	24,642	-	379	11	25,032
Net Book Value at 31 March 2024	29,466	-	432	30	29,928

During the year, Caledonia House was put up for sale. It has been reclassified as an Asset Held for Sale with related disclosures in note 8.2. This is reflected in the lines 'Transfer to asset held for sale', with net value transferring of £655k (£700k gross less £45k aggregated depreciation). The values quoted above, reflect only a partial share of the total value of Caledonia House, with the remaining share previously disclosed as an Investment Property (see 8.1 below).

The Cumbrae Water Sports Centre had previously been transferred from Surplus Assets to Assets Held for Sale in **sportscotland** and **sportscotland** Group during the 2022/23 financial year. It remains as Asset Held for Sale as at 31 March 2025.

The only remaining assets in Land and Buildings are now the two National Centres: Inverclyde Sports Centre and Glenmore Lodge Winter Sports Centre. These are both leased from **sportscotland** to the Scottish Sports Council Trust Company on a 60-year lease, starting in 1992, for a nominal rent of £10 per annum.

The NBV of Land and Buildings as at 31st March 2025, of £24.6m shown above, reflects the combined total of the property valuations undertaken by VOA. Both properties are measured to reflect the current value of existing use. Inverclyde is measured using the

Depreciated Replacement Cost (DRC) basis, has a value for Land and Buildings of £21.0m. Glenmore Lodge is measured on a market value basis, and has a value for Land and Buildings of £3.6m. The Depreciated Replacement Cost (DRC) method has been applied to Inverclyde as the basis for valuing specialised properties for which market-based evidence of fair value is not available.

The revised valuations represents a total reduction in carrying value for Inverclyde of £4.9m and an increase in valuation for Glenmore Lodge of £489k. The majority of the reduction in NBV for Inverclyde is due to a change in valuation policy for DRC adopted in this current valuation cycle. Previously VAT was included within the DRC valuation, last undertaken in 2020. The 5-year revaluation cycle provided an opportunity to adopt a consistent approach in line with other VAT registered public bodies and which aligns with the rest of **sportscotland** asset-base reporting – to be exclusive of VAT.

Of the total £4.9m revaluation charge to be recognised in this year’s financial statements, the first £2.6m is allocated against the balance of the specific Property Revaluation Reserve (note 14) for Inverclyde brought forward from prior years. The remainder £2.3m is a direct charge to Other Operating Charges (note 5).

2024 (prior year comparator)	Land and Buildings	Fixtures and Fittings	Equip-ment	Motor Vehicles	Total
	£000	£000	£000	£000	£000
Cost/valuation at 1 April 2023	30,334	58	2,122	213	32,727
Additions in the year	493	-	40	-	533
Disposals in the year	-	-	-	-	-
Revaluations in the year	691	-	-	-	691
Cost/valuation at 31 March 2024	31,518	58	2,162	213	33,951
Aggregate depreciation at 1 April 2023	1,521	58	1,474	150	3,203
Charge for the year	531	-	256	33	820
Derecognition	-	-	-	-	-
Disposals in the year	-	-	-	-	-
Aggregate depreciation at 31 March 2024	2,054	58	1,730	183	4,022
Net Book Value at 31 March 2024	29,466		432	30	29,928
Net Book Value at 31 March 2023	28,813	-	648	63	29,524

6.2 sportscotland

2025	Land and Buildings	Fixtures and Fittings	Equipment	Total
	£000	£000	£000	£000
Cost/Valuation at 1 April 2024	700	13	1,170	1,883
Additions in the year	-	-	165	165
Disposals in the year	-	(5)	(179)	(184)
Transfer to asset held for sale	(700)	-	-	(700)
Revaluations in the year	-	-	-	-
Cost at 31 March 2025	-	8	1,156	1,164
Aggregate Depreciation at 1 April 2024	45	13	1,030	1,088
Charge for period to 31 March 2025	-	-	95	95
Disposals	-	(5)	(180)	(185)
Transfer to asset held for sale	(45)	-	-	(45)
Aggregate Depreciation at 31 March 2025	-	8	945	953
Net Book Value at 31 March 2025	-	-	211	211
Net Book Value at 31 March 2024	655	-	140	795

Transfer to asset held for sale is explained in notes 6.1 and 8. The National Centre assets are held within Trust Company and so not shown in **sportscotland** entity. Transfer to asset held for sale relates to the PPE element of Caledonia House.

2024 (prior year comparator)	Land and Buildings	Fixtures and Fittings	Equipment	Total
	£000	£000	£000	£000
Cost/Valuation at 1 April 2023	700	13	1,170	1,883
Additions in the year	-	-	-	-
Disposals in the year	-	-	-	-
Cost at 31 March 2024	-	-	-	-
	700	13	1,170	1,883
Aggregate Depreciation at 1 April 2023	33	13	957	1,003
Charge for period to 31 March 2024	12	-	73	85
Disposals	-	-	-	-
Aggregate Depreciation at 31 March 2024	45	13	1,030	1,088
Net Book Value at 31 March 2024	655	-	140	795
Net Book Value at 31 March 2023	666	-	213	879

7 Right of Use Assets

Under International Financial Reporting Standards 16, leases are classified as right of use assets from the date of initial application, 1 April 2022.

Right of Use Assets

Group and sportscotland

2025	Property £000	Vehicles £000	Total £000
Cost/Valuation at 1 April 2024	2,559	933	3,492
Additions in the year	10	550	560
Revaluations in the year	(165)	-	(165)
Disposals in the year	(97)	(269)	(366)
Cost at 31 March 2025	<u>2,307</u>	<u>1,214</u>	<u>3,521</u>
Aggregate Depreciation at 1 April 2024	874	386	1,260
Charge for period to 31 March 2025	408	300	708
Revaluations in the year	-	-	-
Disposals in the year	(144)	(269)	(413)
Aggregate Depreciation at 31 March 2025	<u>1,138</u>	<u>417</u>	<u>1,555</u>
Net Book Value at 31 March 2025	<u>1,169</u>	<u>797</u>	<u>1,966</u>
Net Book Value at 1 April 2024	<u>1,685</u>	<u>547</u>	<u>2,232</u>

The in-year depreciation charge for right use assets of £708k is shown above. This includes adjustments in relation to dilapidations provision valuations following the year-end revaluation of SIS, and so split accordingly within the cash-flow statement

Group and sportscotland

2024	Property £000	Vehicles £000	Total £000
Cost/Valuation at 1 April 2023	2,476	603	3,079
Additions in the year	6	446	452
Revaluations in the year	77	-	77
Disposals in the year	-	(116)	(116)
Cost at 31 March 2024	<u>2,559</u>	<u>933</u>	<u>3,492</u>
Aggregate Depreciation at 1 April 2023	419	230	649
Charge for period to 31 March 2024	440	272	712
Revaluations in the year	15	-	15
Disposals in the year	-	(116)	(116)
Aggregate Depreciation at 31 March 2024	<u>874</u>	<u>387</u>	<u>1,260</u>
Net Book Value at 31 March 2024	<u>1,685</u>	<u>547</u>	<u>2,232</u>
Net Book Value at 1 April 2023	<u>2,057</u>	<u>373</u>	<u>2,430</u>

Lease Liabilities Maturity Analysis

Group and sportscotland

2025	Property £000	Vehicles £000	Total £000
Less than one year	293	278	571
One to five years	629	536	1,165
More than five years	15	-	15
Total lease liabilities as at 31 March	<u>937</u>	<u>814</u>	<u>1,751</u>
Subtotal of more than one year	<u>644</u>	<u>536</u>	<u>1,180</u>
	Property	Vehicles	Total
2024	£000	£000	£000
Less than one year	301	236	537
One to five years	886	321	1,207
More than five years	91	-	91
Total lease liabilities as at 31 March	<u>1,278</u>	<u>557</u>	<u>1,835</u>
Subtotal of more than one year	<u>977</u>	<u>321</u>	<u>1,298</u>

Group and sportscotland

	Opening	Additions /Disposals	Lease Payment	Dep'n adjustment in year	Financing Charge	Closing
	£000	£000	£000	£000	£000	£000
Property	1,278	(53)	(295)	-	11	941
Vehicles	557	550	(334)	19	18	810
	<u>1,835</u>	<u>497</u>	<u>(629)</u>	<u>19</u>	<u>29</u>	<u>1,751</u>

Property lease disposal in year was in relation to Inverness where lease was terminated early. An in-year adjustment of £19k has been applied to reflect recalculation of historic lease valuation attributable to prior years.

8 Property

8.1 Investment Property

Under International Accounting Standard 40: Investment Property, the proportion of Caledonia House that was leased out and income generating was previously classified as an investment property. The proportion of the property that **sportscotland** used for own use was disclosed within Property, Plant & Equipment (note 6). As stated in note 6, during the year, Caledonia House was put up for sale. Both the PPE and Investment Property elements are therefore transferred to Asset held for sale (note 8.2).

		Group £000	sportscotland £000
2025	Market value as at 1 April 2024	950	950
	Transferred to asset held for sale	(950)	(950)
	Market value as at 31 March 2025	-	-
2024	Market value as at 1 April 2023	1,620	1,620
	Revaluation	(670)	(670)
	Market value as at 31 March 2024	950	950

8.2 Assets Held for Sale

As at the start of the year, **sportscotland** was holding Cumbrae Watersports Centre as the only Asset Held for Sale. Caledonia House was put for sale during the year, and value transferred to Assets Held for Sale. Both properties are disclosed here at valuations in line with IFRS 5 Non-current assets held for sale: the lesser of carrying value and fair value less costs to sell.

		Group £000	sportscotland £000
2025	Balance Brought forward	230	230
	Transfer from PPE	655	655
	Transfer from Investment	950	950
	Impairment of asset	(625)	(625)
	Total	1,210	1,210

This is comprised of:

- Cumbrae (carrying value): £230k
- Caledonia House (anticipated selling price less cost of selling): £980k

Caledonia House is valued at the fair value reasonably anticipated to be achieved at the point of sale, less the cost of selling. This has resulted in recognising an impairment in-year on the total value of Caledonia House (previously split between PPE and Investment Property) of £625k. This is included in within Other Operating Charges (note 5) within Net Expenditure.

Cumbrae has been retained at the previous carrying value at the point of transfer, which was based upon the prior external valuation undertaken in 2020. This being **less than** the

anticipated fair value reasonably anticipated to be achieved at the point of sale, less the cost of selling.

Both properties have been assessed against the criteria for non-current assets held for sale set out in note 1.7. It is anticipated to conclude the sale of both properties within the next 12 months, during 2025/26.

8.3 Gain/(Loss) on revaluation of assets (OCIE)

		Group £000	sportscotland £000
2025	Gain on Land & Building (Glenmore)	489	-
	Loss on Land & Building (Inverclyde)	(2,574)	-
	Total	<u>(2,085)</u>	<u>-</u>
2024	Land and Buildings (Inverclyde)	691	-
	Investment Property (Caledonia)	(670)	(670)
	Total	<u>21</u>	<u>(670)</u>

The gain on Land & Building reflects the effect of revaluation of Glenmore Lodge. Glenmore Lodge did not have indexation applied since prior valuation in 2020.

The loss on Land & Buildings reflects the share of the reduction in value of NBV for Inverclyde that can be allocated against the previously created Property Revaluation Reserve (Inverclyde). Note 6 provides explanation of the treatment of the overall change in value of Inverclyde (totalling £4.9m) from the revaluation exercise undertaken in 2025.

8.4 Property impairment charges included in Other Operating Charges (Net Expenditure)

For completeness the impairment charges included within Other Operating Charges (note 5) as a result of the property revaluations in year are shown below.

		Group £000	sportscotland £000
2025	Impairment of Inverclyde	2,293	-
	Impairment of Asset held for Sale	625	625
	Total	<u>2,918</u>	<u>625</u>

The impairment of Inverclyde reflects the proportion of the revised valuation that is not covered by the existing Property Revaluation Reserve.

The impairment of the Asset Held for Sale reflects the effect of revaluation of Caledonia House. Both the proportion previously as an Investment Property and PPE.

9 Intangible Assets

Software	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Cost				
Opening balance (1 April)	268	178	72	72
Additions during year	9	90	-	-
Derecognition	-	-	-	-
Closing balance (31 March)	277	268	72	72
Accumulated amortisation				
Opening balance (1 April)	164	145	72	72
Charge for year	32	19	-	-
Derecognition	-	-	-	-
Closing balance (31 March)	196	164	72	72
Net book value at 31 March	81	104	-	-

10 Inventories

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Goods held for resale	12	13	-	-
Consumable stores	10	13	-	-
	22	26	-	-

11 Trade and Other Receivables

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade debtors	59	197	1	66
sportscotland Lottery Fund	728	683	728	683
Other debtors	45	98	101	98
Prepayments and accrued income	660	529	572	480
	1,492	1,507	1,402	1,327
Breakdown by Category				
	2025	2024	2025	2024
	£000	£000	£000	£000
Other Central Government Bodies	-	-	-	-
Local Authorities	-	-	-	-
Other External Bodies	1,492	1,507	1,402	1,327
Total	1,492	1,507	1,402	1,327

12 Trade and Other Payables

Less than one year	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade creditors	527	357	289	78
Other taxation and national insurance	-	-	-	-
Other creditors	71	74	71	177
Accruals	3,254	1,727	1,676	727
Total	3,852	2,158	2,036	982

Breakdown by Category	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Other Central Government Bodies	39	39	39	51
Local Authorities	182	182	-	-
Other External Bodies	3,631	1,937	1,997	931
Total	3,852	2,158	2,036	982

Greater than one year	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Other creditors	545	727	-	-
Total	545	727	-	-

Breakdown by Category	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Local Authorities	545	727	-	-
Total	545	727	-	-

12.1 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.

12.2 Creditors over 1 year

Amount shown as due from more than one year relates to an advance payment for facility use at the National Centre at Inverclyde. These funds are being released over the 11-year period of the agreement with the local authority, to cover the period April 2018 to March 2029.

13 Provisions for Liabilities and Charges

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

	Group		sportscotland	
	2025 £000	2024 £000	2025 £000	2024 £000
Balance at 1 April	976	793	876	793
Amount provided for during year	(76)	183	24	83
Balance at 31 March	900	976	900	876

A conditions survey was carried out by external advisors valuing the future dilapidation charges on two rental properties at £711k. This represents the estimated costs to reinstate property to the conditions at the time of executing the lease.

A separate provision of £189k has been recognised as the anticipated settlement for three outstanding exit packages as at 31 March 2025. These were agreed by all parties after the year-end.

The change in value in year (reduction of £76k) reflects the release of £100k provision for the potential settlement of litigation created in prior year, together with the reduction of £165k in the total provision required of dilapidations in **sportscotland** leased properties partially off-set new provision of £189k for three exit packages that remains pending at year end.

14 Reserve and General Funds schedule of movements

2025

Group	General Fund £000	Property Revaluation Reserve £000	Pension Reserve £000	Total £000
Balance at 1 April 2024	33,626	2,574	(27)	36,173
Net expenditure after taxation	(43,582)	-	-	(43,582)
Net Gain/(Loss) on revaluation of assets	-	(2,085)	-	(2,085)
Actuarial (Loss) /Gain on Pensions	4,180	-	(162)	4,018
Funding: Grant-in-Aid	-	-	-	-
- Capital	-	-	-	-
- Revenue	35,350	-	-	35,350
Funding: Other grants from Scottish Government	-	-	-	-
Transfer from (to) other Reserves	-	-	-	-
Balance at 31 March 2025	29,574	489	(189)	29,874

The change in revaluation reserve is set-out in note 8.3. The opening balance for 2024/25 (of £2,574k) relates to Inverclyde, this property-specific reserve was fully utilised during the year. The closing balance (of £489k) reflects property-specific reserve for Glenmore Lodge.

2024 restated

Group	General Fund	Property Revaluation Reserve	Pension Reserve	Total
	£000	£000	£000	£000
Balance at 1 April 2024	35,203	1,883	-	37,086
Net expenditure after taxation	(36,084)	-	-	(36,084)
Net Gain/(Loss) on revaluation of assets	(670)	691	-	21
Actuarial (Loss) /Gain on Pensions	(173)	-	(27)	(200)
Funding: Grant-in-Aid				
- Capital	-	-	-	-
- Revenue	35,350	-	-	35,350
Funding:				
Other grants from Scottish Government	-	-	-	-
Transfer from (to) other Reserves	-	-	-	-
Balance at 31 March 2025	<u>33,626</u>	<u>2,574</u>	<u>(27)</u>	<u>36,173</u>

The split of group reserves has been restated from published accounts of 2023/24 to reflect the specifically identifiable Property Revaluation Reserve built-up from the cumulative impact of prior year indexation valuations. This was previously contained within the disclosure for General Fund. The table above shows the restated position (total reserves of £36,173k) and table below shows the disclosure within 2023/24 Financial Statements for reference and transparency.

2024 original (for reference)

	Group		sportscotland	
	2024	2023	2024	2023
	£000	£000	£000	£000
Balance at 1 April	37,086	27,589	10,140	4,976
Net operating cost	(36,084)	(37,711)	(36,127)	(37,570)
Gain/(Loss) on revaluation of assets	21	1,704	(670)	(180)
Actuarial (Loss) /Gain on Defined benefit pension Scheme	(200)	11,954	(399)	9,364
Funding: Grant-in-Aid - Capital	-	1,000	-	1,000
- Revenue	35,350	32,550	35,350	32,550
Funding: Other grants from Scottish Government	-	-	-	-
Transfer from (to) other Reserves	-	-	-	-
Balance at 31 March	36,173	37,086	8,294	10,140
Pension reserve balance	27	-	214	-
General fund balance	36,200	37,086	8,508	10,140

There is change to the **sportscotland** view of prior year, shown below.

sportscotland	2025	2024
	£000	£000
Balance at 1 April	8,294	10,140
Net expenditure after taxation	(40,038)	(36,127)
Net Gain/(Loss) on revaluation of assets	-	(670)
Actuarial (Loss) /Gain on Pensions	3,358	(399)
Funding: Grant-in-Aid - Capital	35,350	35,350
Revenue Funding: Other grants from Scottish Government	-	-
Transfer from (to) other Reserves	-	-
Balance at 31 March	6,964	8,294
Pension reserve balance	189	214
General fund balance	7,153	8,508

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 6.5% and 23.0% (2023/24: 19.3% and 23.0%) 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 £20k (2023/24: £17k) and SPF £737k (2023/24: £2,081k), which includes £267k apportioned to **sportscotland** Lottery Fund.

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 £87k (2023/24: £84k).

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method. The latest full actuarial valuation of the employer contributions to the SPF scheme was at 31 March 2023. The STSS was last valued during 2023/24.

The valuation carried out for the pension scheme is based on a number of complex judgements including the discount rate, salary increase rate, retirement ages, mortality rates and expected returns on pension fund assets.

All employment contracts are within **sportscotland** thus the pension obligations 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 process that assesses every employee and their split of work between the two companies.

The split for **sportscotland** pension contributions during 2024/25 was 64% (2023/24: 63%) with the balance, 36%, (2023/24: 37%) allocated to the **sportscotland** National Lottery Distribution Fund.

15.1 The Scottish Teachers Superannuation Scheme (STSS)

sportscotland participates in the Scottish Teachers' Pension 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.

The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last valuation was undertaken during 2023/24 based on data as at 31 March 2020. This valuation informed an employer contribution rate of 23.0% of pensionable pay to March 2027 and an anticipated yield of 9.6% employees' contributions.

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 (SPF)

The **sportscotland** group, which includes the Scottish Sports Council Trust Company participates in a defined benefit scheme in the UK, the Strathclyde Pension Fund. The defined benefit is based on earnings in each year of employment and length of employment with **sportscotland**.

The Strathclyde Pension Fund is part of the Local Government Pension Scheme (LGPS) in Scotland, a national pension scheme for people working in local government or working for other employers that participate in the scheme.

The pension fund sets out its approach to investment in its investment strategy statement. The statement includes the pension fund's policy on social and environmental considerations. The portfolio of investments is detailed in note 15.6. The scheme rules can only be changed with the approval of Scottish Parliament.

A cost management process ensures the long-term sustainability of the LGPS. The cost of the Scheme is monitored to make sure it stays within limits agreed by HM Treasury. Changes to the Scheme design may be required if the cost of the LGPS becomes higher or lower than those limits.

The value of assets held with the fund relating to the **sportscotland** group represents 0.41% of the total fund (£127,629k of £31.3bn).

An actuarial valuation for the **sportscotland** group pension assets and liabilities was carried out at 31 March 2025 by an independent qualified actuary. The actuarial valuation for 31 March 2025 has calculated a net pension asset for **sportscotland**, principally driven by the year-on-year change in assumption of the discount rate used in the valuation. The table below shows the combined net asset position resulting from the initial actuarial calculations. As a result, **sportscotland** needed to consider the technical guidance in IFRIC14 on the IAS19 treatment of the pension valuation.

Entity	Net asset/ (liability) at 31/3/25 £000	Net asset/ (liability) at 31/3/24 £000	Variance £000
sportscotland	43,640	33,244	10,396
sportscotland Trust Company	8,881	6,774	2,107
	<hr/> 52,521	<hr/> 40,018	<hr/> 12,503

Asset Ceiling

The pension scheme is in a strong positive position, with the value of investments much greater than the calculated future pension costs. This large net asset cannot be readily accessed, so needs to be recognised at reduced amount. Actuarial calculations show the extent to which economic benefit can be derived.

sportscotland requested the following additional calculations from the actuary to support the net asset valuation (for both **sportscotland** and the Trust Company):

- Schedule of results showing the effect of the prior year asset ceiling
- The asset ceiling paper (calculating the present value of future benefits relating to any cash refund or reduction of future contributions)

The following table shows the net asset position and the subsequent calculations.

	sportscotland	Trust Company	Group
	as at 31/3/25	as at 31/3/25	as at 31/3/25
	£000	£000	£000
Original net asset valuation (funded obligations)	43,829	8,881	52,710
Net present value of future service costs less net present value of future contributions	(36,898)	(8,009)	(44,907)
Economic benefit available	-	-	-
Unfunded benefits	(189)	-	(189)
Net asset/(liability)	(189)	-	(189)

As the net present value of future service costs is less than net present value of future contributions for **sportscotland** and the Trust Company, the economic benefit available as a reduction in future contributions is floored at £0.

There is a separate liability of £189k for **sportscotland**, which relates to unfunded benefits. This relates to a small number of retired staff members whose contributions were insufficient to fund their defined pension benefit, so monthly supplementary payments are required.

15.3 Financial Assumptions

The financial assumptions, as described in the actuarial report, are summarised below:

	2025	2024
Pension increases (CPI)	2.75%	2.75%
Salary increases	3.45%	3.45%
Discount rate	5.80%	4.85%

15.4 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 obligations are set out below:

Change in assumptions at 31 March 2025	Approx. % increase to Defined Benefit Obligation	Approx. monetary amount (£000)	
		Group	sportscotland
0.1% decrease in Real Discount Rate	2%	1,508	1,237
1 year increase in member life expectancy	4%	3,005	2,469
0.1% increase in the Salary Increase Rate	0%	54	42
0.1% increase in the Pension Increase Rate (CPI)	2%	1,496	1,229

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 2025 on varying bases.

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

The principle demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, it is estimated 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.

15.5 Demographic Assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below (rates apply for both **sportscotland** group and Scottish Sports Council Trust Company):

	Males	Females
Current pensioners	21.3 years	24.2 years
Future pensioners	22.2 years	25.3 years

15.6 Employee Membership statistics

The following tables show the breakdown of members in the Strathclyde Pension Fund.

Group

	Number of Records	Total Salaries/Pension p.a (£000)	Average Age (years)
Actives	367	13,443	50
Deferred pensioners	410	1,541	53
Pensioners	136	1,307	67

sportscotland

	Number of Records	Total Salaries/Pension p.a (£000)	Average Age (years)
Actives	253	10,217	49
Deferred pensioners	358	1,343	53
Pensioners	109	1,103	68

15.7 Unfunded Benefits

There is a separate liability for **sportscotland**, which relates to unfunded benefits. This relates to five retired staff members whose contributions were insufficient to fund their defined pension benefit, so monthly supplementary payments are required.

Group

Unfunded Pensions	Number of records	Annual Unfunded Pension £000
Male	3	25
Female	1	2
Dependants	1	2
Total	<hr/> 5	<hr/> 29

sportscotland

Unfunded Pensions	Number of records	Annual Unfunded Pension £000
Male	3	25
Female	1	2
Dependants	1	2
Total	<hr/> 5	<hr/> 29

15.8 Fair value of employer assets

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

Group Asset Category	31 March 2025				31 March 2024			
	Quoted prices in Active Markets £000	Quoted prices not in Active Markets £000	Total £000	%	Quoted prices in Active Markets £000	Quoted prices not in Active Markets £000	Total £000	%
Equity Securities:								
Consumer	6,289	14	6,302	5%	5,694	2	5,696	5%
Manufacturing	5,947	8	5,955	5%	7,104	2	7,105	6%
Energy and Utilities	992	-	992	1%	1,118	-	1,118	1%
Financial Institutions	2,859	56	2,915	2%	3,522	18	3,539	3%
Health and Care	3,035	2	3,036	2%	3,285	6	3,291	3%
Information Technology	7,320	1	7,323	6%	4,179	-	4,179	3%
Private Equity:								
All	-	29,502	29,502	23%	-	29,436	29,436	24%
Real Estate:								
UK Property	-	9,630	9,630	8%	-	9,695	9,695	8%
Investment funds and unit trusts:								
Equities	467	30,685	31,152	24%	506	42,013	42,519	34%
Bonds	-	26,923	26,923	21%	-	14,382	14,382	12%
Commodities	-	63	63	0%	-	49	49	0%
Infrastructure	-	450	450	0%	-	-	-	0%
Other	-	284	284	0%	-	-	-	0%
Derivatives:								
Foreign Exchange	-	0	0	0%	-	-	-	0%
Cash and cash equivalents:								
All	-	3,106	3,106	2%	192	2,094	2,286	2%
Total	26,908	100,722	127,632	100%	25,600	97,695	123,295	100%

sports scotland	31 March 2025				31 March 2024			
	Quoted prices in Active Markets £000	Quoted prices not in Active Markets £000	Total £000	%	Quoted prices in Active Markets £000	Quoted prices not in Active Markets £000	Total £000	%
Asset Category								
Equity Securities:								
Consumer	5,191	11	5,202	5%	4,707	1	4,708	5%
Manufacturing	4,909	7	4,916	5%	5,871	2	5,873	6%
Energy and Utilities	819	-	819	1%	924	-	924	1%
Financial Institutions	2,360	46	2,406	2%	2,911	15	2,925	3%
Health and Care	2,505	1	2,506	2%	2,715	5	2,720	3%
Information Technology	6,042	-	6,042	6%	3,454	-	3,454	3%
Private Equity:								
All	-	24,353	24,353	23%	-	24,329	24,329	24%
Real Estate:								
UK Property	-	7,949	7,949	8%	-	8,013	8,013	8%
Investment funds and unit trusts:								
Equities	386	25,330	25,715	24%	419	34,725	35,143	34%
Bonds	-	22,224	22,224	21%	-	11,888	11,888	12%
Commodities	-	52	52	0%	-	41	41	0%
Infrastructure	-	372	372	0%	-	-	-	0%
Other	-	234	234	0%	-	-	-	0%
Derivatives:								
Foreign Exchange	-	0	0	0%	-	-	-	0%
Cash and cash equivalents:								
All	-	2,564	2,564	2%	159	1,730	1,889	2%
Total	22,212	83,143	105,357	100%	21,159	80,748	101,907	100%

15.9 Changes in fair value of plan

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability

Group

Period ended 31 March 2025

	Assets	Obligations	Impact of asset ceiling adjustments	Net Asset/ (Liability)
	£000	£000	£000	£000
Fair value of plan assets	123,295	-	-	123,295
Present value of funded obligations	-	83,063	-	(83,063)
Present value of unfunded obligations	-	214	-	(214)
Effect of the asset ceiling	-	-	(40,045)	(40,045)
Opening Position as at 31 March 2024	123,295	83,277	(40,045)	(27)
Service cost				
Current service cost*	-	2,578	-	(2,578)
Past service cost (including curtailments)	-	2,489	-	(2,489)
Effect of settlements	-	-	-	-
Total Service Cost	-	5,067	-	(5,067)
Net interest				
Interest income on plan assets	5,975	-	-	5,975
Interest cost on defined benefit obligation	-	4,133	-	(4,133)
Interest on the effect of the asset ceiling	-	-	(1,942)	(1,942)
Total net interest	5,975	4,133	(1,942)	(100)
Total defined benefit cost recognised in Profit or (Loss)	5,975	9,200	(1,942)	(5,167)
Cashflows				
Participants' contributions	978	978	-	-
Employer contributions	958	-	-	958
Benefits paid	(1,967)	(1,967)	-	-
Unfunded benefits paid	(29)	(29)	-	-
Contributions in respect of unfunded benefits paid	29	-	-	29
Effect of business combinations and disposals	-	-	-	-
Expected closing position	129,239	91,459	(41,987)	(4,207)
Remeasurements				
Changes in financial assumptions	-	(15,422)	-	15,422
Changes in demographic assumptions	-	(130)	-	130
Other experience	-	(796)	-	796
Return on assets excluding amounts included in net interest	(1,607)	-	-	(1,607)
Changes in the effect of the asset ceiling	-	-	(10,723)	(10,723)
Total remeasurements recognised in Other Comprehensive Income	(1,607)	(16,348)	(10,723)	4,018
Fair value of plan assets	127,632	-	-	127,632
Present value of funded obligations	-	74,922	-	(74,922)
Present value of unfunded obligations	-	189	-	(189)
Effect of the asset ceiling	-	-	-	(52,710)
Closing position as at 31 March 2025	127,632	75,111	-	(189)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability

sportscotland

Period ended 31 March 2025

	Assets	Obligations	Impact of asset ceiling adjustments	Net Asset/ (Liability)
	£000	£000	£000	£000
Fair value of plan assets	101,907	-	-	101,907
Present value of funded obligations	-	68,449	-	(68,449)
Present value of unfunded obligations	-	214	-	(214)
Effect of the asset ceiling	-	-	(33,458)	(33,458)
Opening Position as at 31 March 2024	101,907	68,663	(33,458)	(214)
Service cost				
Current service cost*	-	1,868	-	(1,868)
Past service cost (including curtailments)	-	2,142	-	(2,142)
Effect of settlements	-	-	-	-
Total Service Cost	-	4,010	-	(4,010)
Net interest				
Interest income on plan assets	4,935	-	-	4,935
Interest cost on defined benefit obligation	-	3,402	-	(3,402)
Interest on the effect of the asset ceiling	-	-	(1,623)	(1,623)
Total net interest	4,935	3,402	(1,623)	(90)
Total defined benefit cost recognised in Profit or (Loss)	4,935	7,412	(1,623)	(4,100)
Cashflows				
Participants' contributions	753	753	-	-
Employer contributions	738	-	-	738
Benefits paid	(1,649)	(1,649)	-	-
Unfunded benefits paid	(29)	(29)	-	-
Contributions in respect of unfunded benefits paid	29	-	-	29
Effect of business combinations and disposals	-	-	-	-
Expected closing position	106,684	75,150	(35,081)	(3,547)
Remeasurements				
Changes in financial assumptions	-	(12,671)	-	12,671
Changes in demographic assumptions	-	(106)	-	106
Other experience	-	(656)	-	656
Return on assets excluding amounts included in net interest	(1,327)	-	-	(1,327)
Changes in the effect of the asset ceiling	-	-	(8,748)	(8,748)
Total remeasurements recognised in Other Comprehensive Income	(1,327)	(13,433)	(8,748)	3,358
Fair value of plan assets	105,357	-	-	105,357
Present value of funded obligations	-	61,528	-	(61,528)
Present value of unfunded obligations	-	189	-	(189)
Effect of the asset ceiling	-	-	-	(43,829)
Closing position as at 31 March 2025	105,357	61,717	-	(189)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability

Group

Period ended 31 March 2024

	Assets	Obligations	Impact of asset ceiling adjustments	Net Asset/ (Liability)
	£000	£000	£000	£000
Fair value of plan assets	110,116	-	-	110,116
Present value of funded obligations	-	77,239	-	(77,239)
Present value of unfunded obligations	-	218	-	(218)
Effect of the asset ceiling	-	-	(32,659)	(32,659)
Opening Position as at 31 March 2023	110,116	77,457	(32,659)	-
Service cost				
Current service cost*	-	2,565	-	(2,565)
Past service cost (including curtailments)	-	-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	2,565	-	(2,565)
Net interest				
Interest income on plan assets	5,274	-	-	5,274
Interest cost on defined benefit obligation	-	3,715	-	(3,715)
Interest on the effect of the asset ceiling	-	-	(1,551)	(1,551)
Total net interest	5,274	3,715	(1,551)	8
Total defined benefit cost recognised in Profit or (Loss)	5,274	6,280	(1,551)	(2,557)
Cashflows				
Participants' contributions	926	926	-	-
Employer contributions	2,703	-	-	2,703
Benefits paid	(2,278)	(2,278)	-	-
Unfunded benefits paid	(27)	(27)	-	-
Contributions in respect of unfunded benefits paid	27	-	-	27
Effect of business combinations and disposals	-	-	-	-
Expected closing position	116,741	82,358	(34,210)	173
Remeasurements				
Changes in financial assumptions	-	(5,631)	-	5,631
Changes in demographic assumptions	-	(1,494)	-	1,494
Other experience	1,181	8,044	-	(6,863)
Return on assets excluding amounts included in net interest	5,373	-	-	5,373
Changes in the effect of the asset ceiling	-	-	(5,835)	(5,835)
Total remeasurements recognised in Other Comprehensive Income	6,554	919	(5,835)	(200)
Fair value of plan assets	123,295	-	-	123,295
Present value of funded obligations	-	83,063	-	(83,063)
Present value of unfunded obligations	-	214	-	(214)
Effect of the asset ceiling	-	-	(40,045)	(40,045)
Closing position as at 31 March 2024	123,295	83,277	(40,045)	(27)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability

sportscotland

Period ended 31 March 2024

	Assets	Obligations	Impact of asset ceiling adjustments	Net Asset/ (Liability)
	£000	£000	£000	£000
Fair value of plan assets	91,159	-	-	91,159
Present value of funded obligations	-	63,759	-	(63,759)
Present value of unfunded obligations	-	218	-	(218)
Effect of the asset ceiling	-	-	(27,182)	(27,182)
Opening Position as at 31 March 2023	91,159	63,977	(27,182)	-
Service cost				
Current service cost*	-	1,930	-	(1,930)
Past service cost (including curtailments)	-	-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	1,930	-	(1,930)
Net interest				
Interest income on plan assets	4,360	-	-	4,360
Interest cost on defined benefit obligation	-	3,062	-	(3,062)
Interest on the effect of the asset ceiling	-	-	(1,291)	(1,291)
Total net interest	4,360	3,062	(1,291)	7
Total defined benefit cost recognised in Profit or (Loss)	4,360	4,992	(1,291)	(1,923)
Cashflows				
Participants' contributions	713	713	-	-
Employer contributions	2,081	-	-	2,081
Benefits paid	(1,918)	(1,918)	-	-
Unfunded benefits paid	(27)	(27)	-	-
Contributions in respect of unfunded benefits paid	27	-	-	27
Effect of business combinations and disposals	-	-	-	-
Expected closing position	96,395	67,737	(28,473)	185
Remeasurements				
Changes in financial assumptions	-	(4,643)	-	4,643
Changes in demographic assumptions	-	(1,201)	-	1,201
Other experience	1,070	6,771	-	(5,701)
Return on assets excluding amounts included in net interest	4,442	-	-	4,442
Changes in the effect of the asset ceiling	-	-	(4,985)	(4,985)
Total remeasurements recognised in Other Comprehensive Income	5,512	926	(4,985)	(399)
Fair value of plan assets	101,907	-	-	101,907
Present value of funded obligations	-	68,449	-	(68,449)
Present value of unfunded obligations	-	214	-	(214)
Effect of the asset ceiling	-	-	(33,458)	(33,458)
Closing position as at 31 March 2024	101,907	68,663	(33,458)	(214)

It is estimated that employer's contributions required for the year to 31 March 2026 will be £962k (£723k for **sport**scotland and £239k for Trust Company) compared to actual costs of £958k this financial year (£738k and £220k respectively). A reduction in the employer's pension contribution percentage was instructed by the actuary for 2024/25 and will continue into 2025/26.

16 Analysis of Changes in Cash during the Year

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Cash and bank balance at 1 April	6,919	8,106	6,667	7,850
Net cash inflow/(outflow)	389	(1,187)	384	(1,183)
Cash and bank balance at 31 March	<u>7,308</u>	<u>6,919</u>	<u>7,051</u>	<u>6,667</u>

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

	Group	
	2025	2024
	£000	£000
sportscotland	7,051	6,667
Scottish Sports Council Trust Company	257	252
	<u>7,308</u>	<u>6,919</u>

17 Capital and Grant Commitments

Capital

There are capital commitments of £1,091k (2023/24: £1,166k) contracted or authorised as at 31 March 2025.

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 £39,502k (2023/24: £51,087k).

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 £749k (2023/24: £622k), revenue funding of £3,522k (2023/24: £4,711k), and support from corporate services of £415k (2023/24: £492k).

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

During the year the **sportscotland** National Lottery Distribution Fund had a number of material transactions with **sportscotland**. At the year end, within debtors there is an amount of £728k (2023/24: £683k) owed by **sportscotland** National Lottery Distribution Fund. During the year **sportscotland** recharged salaries of £5,595k (2023/24: £5,478k).

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 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 terms.

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 shown on the **sportscotland** website at:

<https://sportscotland.org.uk/about-us/investment-reporting/>.

19 Financial Commitments

At 31 March 2025 the Group had annual commitments under non-cancellable operating leases as follows:

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Operating leases which expire				
Within one year	61	37	-	18
Two to five years	127	32	-	-
Over five years	-	-	-	-
Total	188	69	-	18

20 Taxation

sportscotland is assessed to corporation tax, annually, based on bank interest and rental incomes received. The corporate tax rate of 25% applies to the taxable profits.

	Group		sportscotland	
	2025	2024	2025	2024
	£000	£000	£000	£000
Corporation Tax	44	45	44	45

21 Losses

Compensation payments of £330k were agreed during the year (2024: £500k).

22 Events after the Reporting Period

Since the Statement of Financial Position date there have been no events to report.

[to be reviewed and updated prior to finalisation of Financial Statements]

23 Restatement of Prior Year Balances

During the finalisation of the 2024/25 financial statements it was identified that the Property Revaluation Reserve within **sportscotland's** General Funds had not previously been specifically disclosed in 2023/24 financial statements. The 2023/24 balances in relation to General Funds have been restated to show this separately within Consolidated Statement of Financial Position, Taxpayer's Equity and throughout the notes to the accounts where applicable.

The Property Revaluation Reserve affecting the restatement of the 2023/24 Financial Statements are in relation to the Inverclyde property only. This is reported within the Group accounts but not **sportscotland** accounts.

The Revaluation Reserve has been created because of the indexation applied to the Inverclyde property valuation in the intervening period since the last full valuation undertaken in 2020. The cumulative indexation up to 1 April 2023 had been £1,883k, this is reflected as the restated Opening Balance for the Property Reserve for 2023/24. A further £691k was represented as a Gain on Asset Revaluation in the 2023/24 SOCNE. The restated Closing Balance for the Property Revaluation Reserve is £2,574k. The values for General Fund have been adjusted accordingly.

Accounts Direction

In accordance with Section 19(4) of the Public Finance and Accountability (Scotland) Act 2000



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