

sportscotland
National Lottery
Distribution Fund

Annual Report and Accounts
for the year ended 31st March 2018

HC 1693
SG/2018/234

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for the year ended 31st March 2018

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of the National Lottery etc Act 1993

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Minister's Foreword

As newly appointed Minister for Public Health, Sport and Wellbeing, this report has impressed on me the breadth of work being undertaken by sportscotland to build a world class sporting system for everyone in Scotland.

A common theme running through much of this annual report is the importance of partnerships in achieving outcomes. This includes the strong local partnerships sportscotland has developed, to provide physical activity and sporting opportunities through the Active Schools programme. It is encouraging to see an increase both in activity sessions and visits by pupils to these sessions. Providing this opportunity is important to help establish an enjoyment of physical activity at an early age, to increase the likelihood of continued participation throughout life, contributing to a happier and healthier Scotland.

The importance of partnership is also clear in the successful delivery of 192 community sport hubs and demonstrates the benefits that can be gained from working with non-sporting organisations.

And in performance sport, partnership working has been essential for Scotland to succeed on the global sporting stage. The "team behind the team" working together with Scottish athletes has led to success at both the 2018 PyeongChang Winter Olympic Games and ParalympicsGB at the Winter Paralympic Games.

I am also delighted to see evidence throughout the report of work to promote equality and inclusion. This includes sportscotland's efforts to support and encourage girls and women to get active and stay active, both through Active Girls solutions workshops and through support to the Scottish Government's new Women and Girls in Sport Advisory Board. The recent evidence from Active Schools shows the programme is now engaging almost as many girls as boys and delivering opportunities to all SIMD areas. Targeting extra support to community sport hubs in areas of deprivation will help to further increase opportunity in areas where evidence indicates that inactivity is higher and where most can be gained from providing an opportunity for people to become active.

The opening of the sportscotland National Sports Training Centre Inverclyde – the first UK residential sports centre designed for inclusivity - is something we should all be proud of.

I know that my predecessor, Aileen Campbell, was an advocate of the importance of evaluating the impact of sportscotland's work. I am delighted therefore to see the results of the evaluation of a number of sportscotland's programmes. This will provide evidence of impact to support further work but also may help us think about how we might do things differently to target those hard to reach groups.

Of course, the benefits that an Active Scotland brings mean that there is always more to do. I look forward to working with sportscotland in achieving our vision of a Scotland where more people are more active, more often, and to meeting some of the individuals working throughout our communities that are responsible for some of the successes outlined in this report.

Joe FitzPatrick,
Minister for Public Health, Sport and Wellbeing

sportscotland

Lottery Fund

Statement of Account Prepared Pursuant to Section 35 of the National Lottery etc Act 1993

Report of the Council

Foreword

The Scottish Sports Council 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 therefor". On 1 July 1999 the Scottish Sports Council adopted the trading name of **sportscotland**.

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

Under the directions given by the Scottish Ministers all distributing bodies must prepare separate statements of accounts relating to the disbursement of Lottery monies.

Format of Accounts

These accounts have been prepared in accordance with the accounts direction issued by Scottish Ministers and with the consent of the Secretary of State for Culture, Media and sport in accordance with Section 35(3) of the National Lottery etc. Act 1993..

THE PERFORMANCE REPORT

Overview

Chief Executive's Report

This has been a momentous 12 months for sportscotland and the wider sporting system across the country. The annual report provides us with the ideal opportunity to reflect on our achievements over the past year and on the progress that has been made as we continue to build a world class sporting system for everyone in Scotland.

I am delighted to say that the system has continued to deliver on a number of fronts over the past year. In communities across the country the transformative power of sport is in evidence on a daily basis. Our network of community sport hubs continues to grow and now stands at 192 as we continue to move towards our fixed target of 200 by 2020. But it is about much more than just meeting a target. Community sport hubs are having a life-changing effect on people of all ages through increased participation and wider opportunities.

In partnership with all 32 local authorities we are also having a real impact in terms of school sport. Thanks to our investment in Active Schools over 14 years, a record number of young people are participating in organised sport and physical activity sessions. More than 6.8million visits were made to Active Schools sessions – an increase of 4.5% from the previous academic year. A total of 294,000 pupils attended these sessions, which were delivered by 23,200 volunteers – another all-time high. Again, this is about much more than participation, it is about playing our part and helping give young people the best possible start in life.

It is not just in school sport where young people are thriving. The Young people's sport panel and young people as leaders programmes continue to go from strength to strength, helping create a new generation of influencers and decision makers in the sporting world. That is a vital part of Scotland's world class sporting system. Young people are the leaders of tomorrow and it has been incredible to follow their development over the past year. Their commitment and progress is evidence that the future is very much in safe hands.

In February and March, Scottish athletes were part of Team GB at the 2018 PyeongChang Winter Olympic Games and ParalympicsGB at the Winter Paralympic Games. Scotland's Brett Wild helped Millie Knight secure two silver and one bronze medals in the visually impaired skiing events. As well as the medal success there were a number of personal bests, many of which were only achieved thanks to support from the National Lottery, who continue to support our athletes at the highest level. But it is not just Scottish athletes who delivered on the global stage – our 'team behind the team' from the sportscotland institute of sport played a vital supporting role in both events. Their exceptional expertise and attention to detail continues to ensure that Scottish athletes are best prepared to deliver on the world stage.

We are now heading into the final year of our 2015-2019 corporate plan: Raising The Bar. Since the plan was introduced we have made significant progress on a number of levels not least in terms of participation and progression. As we look to the future now is the ideal time to review the plan and we are determined to build on the many successes that we have achieved since 2015.

Of course there will be challenges ahead, there always are. But the strength in our sporting system comes from the fantastic partnerships that underpin the work that we do. I am convinced that with the support of all our partners, including the Scottish Government, the National Lottery, Scottish Governing Bodies of Sport (SGBs) and Scotland's 32 local authorities and leisure trusts, we will continue to build a world class sporting system that everyone in the country can be proud of. That is the challenge and one that we aim to deliver together with our partners.

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

Chair Overview

Sport has the power to change lives. It sounds simple, but it is true. There are thousands of examples around the world where sport has created real and lasting change. Nowhere is that more evident than here in Scotland, where sport has made, and continues to make, a real difference in communities in every corner of the country. That is one of the real privileges of being chair of sportscotland; visiting projects across Scotland and meeting the incredible people who play such an important role in our world class sporting system.

Over the last year I have been incredibly impressed and inspired by the work that is being done in communities to make sure the sporting system is fully integrated thanks to strong links between schools, clubs and performance sport. Much of this work is supported by the National Lottery and is having a real impact in terms of increasing participation opportunities and breaking down barriers. And that is crucial to our approach; equality and inclusion is at the heart of everything that we do as we continue to build a world-class system for everyone in Scotland.

In January, I attended the Scottish Sport Futures Year of Young People 2018 Awards, a fantastic celebration that showcased young people and the many ways they are utilising sport to create opportunities and change lives. It was a hugely uplifting event, with a real positive energy, and epitomised what we and our partners across the system are so committed to delivering. It was a great example of the positive power of sport and I left feeling inspired for the future.

It has been a fantastic year for the performances of Scottish athletes as part of Team GB. Sport is more than about winning medals but of course that is important part of why people take part. So, as we look back over the last 12 months it has been great to see Scotland's athletes continuing to perform at the very highest level at events such as the Winter Olympic Games and Winter Paralympic Games. To get to that level takes years of training, hard work and commitment. We should certainly take this opportunity to celebrate the success of those who continue to raise the bar.

But when you look at the athletes competing at the highest level in sport – they have only got to where they are because of the coaches and volunteers who have helped them progress. That is something which often gets forgotten but again is something that we should celebrate. Every story has a beginning and that story is often the hours of work and dedication of those behind the scenes; the real unsung heroes who are playing their part in creating the medal winners we are so proud of.

That is why at sportscotland we have a firm commitment to tell the stories of Scottish sport and to really raise the profile of the fantastic work that is taking place in clubs, schools and communities. There are so many positives across the system and it is

important that we take the time to celebrate those successes as part of this annual report.

So, there is much to be proud of when we reflect on the past year, and there is much still to look forward to. Along with our partners we are building a sporting system that runs from grassroots all the way through to performance sport. It is creating a genuine pathway for everyone involved in sport and that is something we need to build on in the months and years ahead.

Mel Young, Chair **sportscotland**

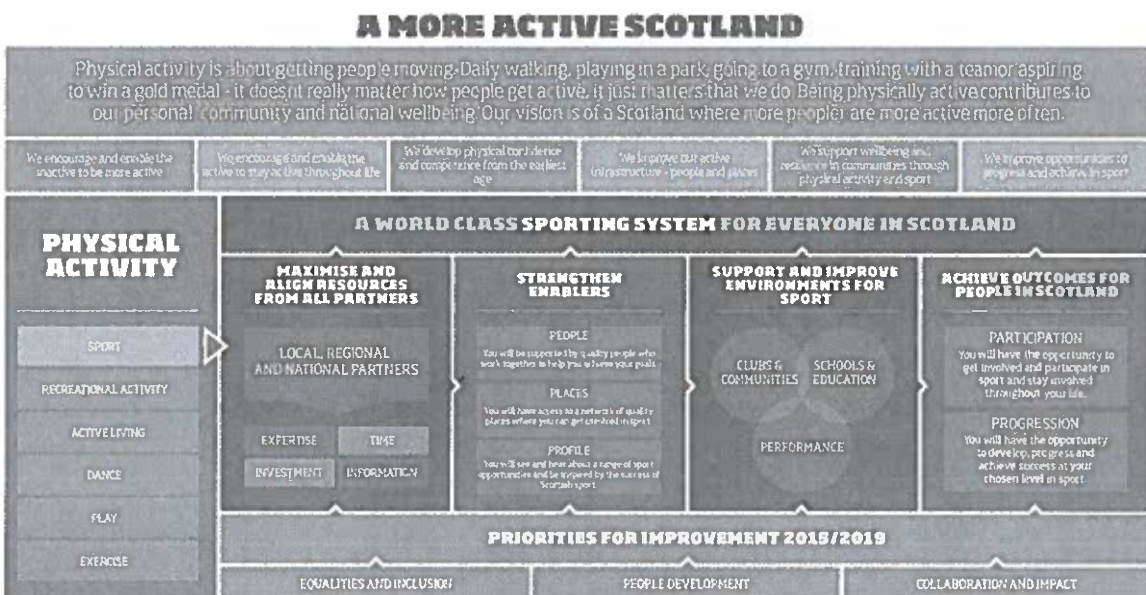
Purpose and activities of the organization

About us

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

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

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



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

sportscotland has three directorates: sports development, high performance and corporate services. We deliver from bases across Scotland, including our

headquarters in Glasgow, the **sportscotland** institute of sport in Stirling and our regional bases in Aberdeen, Dundee, Edinburgh, Inverness and Stirling. The **sportscotland** Trust Company operates three national centres; Glenmore Lodge, Cumbrae and Inverclyde.

About this report

Playing Our Part: summary of progress 2017-18 is **sportscotland's** annual report. It covers year three of the [2015-19 corporate plan: Raising The Bar](#). It allows us to assess what progress we have made towards achieving our impact measures.

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

Structure

System highlights

This section aims to summarise our work in 2017-18 across the sporting system and highlights how we:

- Supported and improved environments for sport (Schools & Education; Clubs & Communities; Performance sport)
- Strengthened enablers (People; Places; Profile)
- Maximised and aligned resources from all partners (Partnerships; Our organisation)

Our progress

In this section we ask ourselves: *what progress have we made towards achieving our impact measures during the period 1 April 2017 to 31 March 2018?* With quantitative and qualitative data, we measure our progress against our outcomes:

- Participation
- Progression

and our enablers:

- People
- Places
- Profile

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

Risk Management

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

At the end of 2017-18 there were five significant risks, shown in Table 1.

Table 1: Significant risk as at the end of 2017-18

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

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

Performance summary

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

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

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

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

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

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

System Highlights

Supporting and improving environments for sport

Schools and education

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

We increased the number, range and quality of opportunities for school pupils to take part in sport through Active Schools. The number of activity sessions increased by 5%, from 350,664 in the 2015-16 academic year to 368,074 in the 2016-17 academic year. Pupils made more than 6.8 million visits to these sessions, up by over 4% from 6.5 million last year. Over 23,000, or 87%, of the people delivering activities were volunteers. The success of Active Schools is a result of strong local partnerships between Active School teams, school staff, sports development teams, SGB regional managers and local sports clubs.

We continued to work with partners to encourage girls and young women to get active through PE, physical activity and sport. We supported the establishment of

girls and young women's committees in Aberdeen and Edinburgh. We also delivered Active Girls solutions workshops with local authority partners. These workshops provided training to local practitioners to help them better understand the needs of girls and young women.

We worked with the Scottish Government to support the new Women and Girls in Sport Advisory Board. The Board aims to encourage women and girls to participate in sport and physical activity, with a focus on those most disengaged. Its establishment will also inform how we address our priorities in women and girls' participation.

We commissioned independent research to review the impact of our supported activity in the schools and education environment¹. We also explored the contribution our work makes to the Active Scotland Outcomes Framework (ASOF). This included a large-scale survey which reached almost 15,000 school pupils across Scotland. The evaluation findings provide strong evidence that our programmes are making a difference to people's lives:

- **98%** of Active Schools participants feel healthier
- **94%** of Active Schools participants are motivated to be more active in the future
- **83%** of Active Schools participants feel they've learned a new skill

Active Schools was found to play a critical role by delivering a range of high quality opportunities for young people to be active. It also links our other school-focused activity such as School Sport Awards, school sport competition and Active Girls. Active Schools staff are highly valued and work hard to provide inclusive opportunities which meet the needs of the schools and young people. The evaluation provided recommendations for areas of development that we are taking forward to enhance and develop sport and physical activity across Scotland.

Clubs and communities

The clubs and communities environment is a critical part of the sporting system, offering opportunities that support local people to participate in sport and progress to their chosen level. We provide leadership for clubs and community sport organisations. We also connect local and national partners to create effective pathways.

We launched a refreshed Clubs and Communities framework². This aims to provide a common reference point to clubs and community organisations to help build their capability and capacity and improve the sporting system. We also refreshed our Help for Clubs website³ to be a toolkit to support club development at all levels.

¹ [Evaluation of sportscotland's work in 'schools and education' environment](#)

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

³ <https://sportscotland.org.uk/clubs/help-for-clubs/>

Community sport hubs (CSH) continue to bring together sports clubs and local partners to develop and grow sport and physical activity in communities across Scotland. We focus on sustainable, community-led approaches, ensuring hubs engage with the local sporting and non-sporting infrastructures to meet the needs of local communities. Working with partners we have delivered 192 active hubs against a target of 200 by 2020. We also supported a network of over 60 hub officers to enhance activities on offer, develop local capability and leadership and enhance consultation with local people.

We continued to work with five local authority partners to provide extra support to identified hubs within the lowest 5% of Scottish index for Multiple Deprivation (SIMD) areas. We worked with these hubs to develop a series of case studies outlining the impact of this work and lessons learned. We will use these to share experiences and learning across partners and the sporting network.

We created two new initiatives to activate hubs as part of the Glasgow 2018 GO LIVE! Legacy brand. Through GO LIVE! Get Active, we provided 92 hubs with awards of up to £5k to establish new sport or physical activity sessions. The focus of these sessions is to engage the inactive in their local community. Through GO LIVE! Go Lead at least 50 volunteer leaders from hubs will receive tailored coaching support.

In collaboration with key partners we developed an action plan in response to the findings from the Sport for Change research⁴. The plan will focus on leadership, messaging, and workforce development. There will also be an online hub site created and a new Changing Lives through Sport and Physical Activity Fund launched. We will lead on developing the sporting workforce in and around club and community organisations.

We commissioned independent research to review the impact of our supported activity in the clubs and communities' environment⁵. We also explored the contribution our supported work makes to the ASOF framework. This included a large-scale survey which received almost 3,000 responses from members at supported clubs. The evaluation findings provide strong evidence that our programmes are making a difference to people's lives:

- **95%** of adult club members feel healthier
- **76%** of adult club members feel more involved in their community
- **85%** of club members met the Chief Medical Officer physical activity guidelines⁶

⁴ https://sportscotland.org.uk/media/2275/sport-for-change_final-report.pdf

⁵ [Evaluation of sportscotland's work in 'clubs and communities' environment](#)

⁶ <http://www.gov.scot/About/Performance/scotPerforms/partnerstories/Outcomes-Framework/CMO-Guidelines-CHILD>

Our programmes were found to support club membership growth and increase participation. Our range of support also enhances and complements local provision. The evaluation provided recommendations for areas of development that we are taking forward to enhance and develop sport and physical activity across Scotland.

Performance sport

This year our priority was to progress our plans to deliver a series of best-ever away performances at three major Games, on two continents, over three consecutive months.

With 25 Scottish athletes selected to compete for Team GB and Paralympics GB in PyeongChang, Scotland and the sportscotland institute of sport made a significant contribution to a record medal haul. We also achieved a series of best-ever results for an away Winter Olympic and Paralympic Games, including:

- Record number of Scots selected for Team GB and Paralympic GB
- **80%** of Scots selected onto Team GB and Paralympics GB achieved a top 8 finish.
- **29** sportscotland Institute of Sport and SGB staff supported performances

We managed our Mission Control processes to support the long-term development of SGB performance systems. These processes analyse the key components of performance programmes. We identified actions for improvement and monitored progress against these. The primary focus for improvement actions is medal success at major Games and the delivery of our shared performance outcomes.

We continued to develop and enhance our high-performance system, through collaborative special projects and targeted initiatives:

- **Food first project:** A series of workshops that aim to empower athletes to make informed nutritional choices and assess associated risks. We are developing an e-learning module to promote this work to the wider sporting community.
- **Big data initiative:** Collaboration with University of Stirling to apply big data analysis to the GB curling programme. Aim is to provide tactical insight and competitive advantage to GB curlers.
- **Home country collaboration:** Explore the delivery of a certified, continuous professional development pathway for high performance practitioners in the field of notational analysis. This initiative stems from our leadership developing high performance sport accreditation.
- **Athlete and staff wellbeing and health:** Working within the performance environment is highly demanding. We take the wellbeing and health of the athletes, coaches and staff very seriously and are building and engaging on

our existing support service support to enable a culture of integrity, wellbeing and health for all.

We delivered 45 clean sport sessions to ensure all Scottish athletes are compliant with major games selection policy. In total, we provided clean sport education training to 462 athletes, coaches and support staff, across 21 sports.

We are on track to meet our headline goals of best-ever results at the Gold Coast 2018 Commonwealth Games. To support this, we progressed part two of our investment decisions for SGBs, which involved allocation of services for all 2018 Commonwealth and 2020 Olympic/Paralympic sports. We also worked closely with Commonwealth Games Scotland to support athletes and sports in their preparations. Looking ahead, we have received confirmation that 224 athletes will be selected for Team Scotland. This includes 93 women and 18 para-athletes, the biggest Scottish female and para-athlete contingent at an away Games.

Strengthening enablers

People

People development is a key priority underpinning the sporting system. Our people portfolio drives our work in this area. It includes programmes that focus on the education and development of coaches, as well as young people as leaders and leadership development for professional staff across the sporting sector.

We commissioned an independent evaluation of the support we provide for coaches and coaching⁷. This aimed to understand how our blend of support helps coaches build the skills, knowledge and behaviours required for a world class coaching system in Scotland. Overall, the evaluation findings were very positive. We also commissioned a review of the impact and delivery model of the UK Coaching Certificate (UKCC) in Scotland. We are using recommendations from both reports to enhance our offer of support and to inform our priorities moving forward.

We refreshed Coaching Scotland⁸, a strategic framework outlining the collective priorities, objectives and actions for the development of coaches and coaching in Scotland. Aligned to this, we communicated the Effective Coaching Map to our partners. This aims to steer the future direction of coach development for the sporting system.

We continued to invest in 34 SGBs to support coaching network posts and coaching programme delivery. We supported coaching network staff by facilitating a two-day residential to share best practice, discuss the coaching evaluation findings and shape coaching policy. We continued to promote the coaching app as a mechanism to support the development of coaches. We now have over 1,400 registered users

⁷ [Evaluation of sportscotland's support for coaches and coaching](#)

⁸ [Coaching Scotland framework](#)

accessing podcasts and workshop content. We have begun to scope an emerging set of digital priorities to enhance our reach to coaches.

Our third young people's sport panel continued to ensure the voice of young people is heard. During 2017-18 the panel helped respond to national consultations and supported decision making on national programmes. Their primary focus was on influencing and promoting girls and young women in sport and sport for people with disabilities. As part of this, they collaborated with Scottish Disability Sport's young people's panel to learn about the barriers and challenges which young disabled people face.

We collaborated with Spirit of 2012 and other National Lottery distributors to launch the Year of Young People National Lottery Fund. This provides an opportunity for sports, heritage and community organisations to receive funding for projects that have a focus on inspiring young people to live healthy, active lives.

We continued to support and develop sporting leaders through our national centres. SGB research indicates a leaders' individual reach is an average of 150 to 249 participants per year. With 1,280, leaders trained through Glenmore Lodge and Cumbrae, the minimum expected reach is 192,000. In addition, our national centres directly supported over 6,000 students.

Places

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

Through our role as a statutory planning consultee we supported an increase in annual pitch capacity of over 20,000 playing hours. We did this through our response to 65 planning applications. We also engaged with 22 plans or programmes from local authorities, influencing spatial policy to ensure the needs of sport are protected and promoted.

We continuously strive to enhance our expertise to ensure we add value to stakeholders. We published guidance notes and case studies⁹ designed to help clubs and community groups develop places for sport. This included guidance on Community Asset Transfer, accessible design and case studies on different project types. We continued to engage with key organisations in the sports construction industry and sport generally to ensure we remain close to new developments or emerging priorities.

We managed the implementation of projects funded from the Sport Facilities Fund (SFF) including national and regional facility projects. Across all funds we invested

⁹ <https://sportscotland.org.uk/facilities/design-guidance/>

£2.8m into 20 projects, with a total investment by others of £24.1m. Our investment has moved towards prioritising projects that:

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

We will continue to reiterate this focus through our updated SFF application and guidance¹⁰. This will require applicants to evidence how their projects will contribute towards addressing inequality and exclusion. Applicants will also have to show how they have engaged the local community in their proposals.

We played a key role in investing in and supporting the delivery of several major capital projects. This included the construction of the National Curling Centre at the Peak in Stirling, which was completed in August 2017. We also supported three projects that will be key venues for the 2018 European Championships in Glasgow: the Finish Tower at Strathclyde Park, Knightswood BMX track and Cathkin Braes mountain bike facility.

The **sportscotland** National Sports Training Centre Inverclyde was officially opened by the First Minister in August 2017. It is the first UK residential sports centre designed for inclusivity. We can now provide world class indoor and outdoor sports facilities to users at all levels of physical and sensory ability. This includes high performance athletes, sports clubs, school and education groups, SGBs and the local community.

Profile

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

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

We introduced monthly communication themes to focus our pro-active communications work. Each month we launch the theme with a #sporthour discussion with the sporting network on Twitter. Co-hosts this year have included the Minister for Sport and Public Health, the Sunday Mail, Scottish Sport Futures and Scottish Disability Sport. We further promote the themes via our social and digital channels, Sport First and traditional media. We also work closely with our partners, so they can tie in their communications activity. This collaborative approach provides a more impactful message of the value of sport and the sporting system.

¹⁰ <https://sportscotland.org.uk/funding/sport-facilities-fund/>

We worked closely with colleagues from the sportscotland Institute of Sport to celebrate the performance of Scottish athletes on the world stage. We also profiled the Team Behind the Team ahead of the three major Games. We promoted the Institute's expertise to our networks via Cutting Edge, a multi-discipline high performance blog. We also refreshed and rationalised the Institute section of our website to make it more engaging.

We supported young people and SGB and local authority partners to enhance their digital and other communication capabilities, through our strategic partnership with the BBC. In conjunction with the BBC Radio Sportsound programme, we organised football and rugby coaching sessions at five schools across the country. In the evening the children returned with their parents or guardians for the Sportsound show broadcast live from their school. The sessions generated 17 pieces of national and regional media coverage with a reach of 3 million and brought sportscotland to the attention of the show's 10,000 midweek listeners. Feedback from schools was also very positive:

"We are still buzzing about the whole thing! What a wonderful experience for our pupils, staff and parents!"

"Thank you for everything yesterday, it was a great day and I'm sure there will be lots of inspired young people."

Maximising and aligning resources from all partners

Partnerships

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

We support strategic national partners, all SGBs and all 32 local authorities. We aim to help our partners develop effective leadership and robust policies and processes. We also contribute to, and influence, their strategies for sport.

We provided additional support to SGBs to enhance their focused work on equality and inclusion. This support helped expand existing activities or accelerate activity identified as part of their progress through the Equality Standard for Sport¹¹. We will continue to work with SGBs to monitor and evaluate the success of their work. We also supported six SGBs as they work towards achieving the advanced level of the Standard – the highest level.

Gender diversity within SGB leadership roles, including board members, chief executives and chairs, also continues to improve. Women now make up 30%¹² of

¹¹ <http://equalityinsport.org/equality-standard-for-sport/>

¹² 2017-18 data is collected from SGB application form (section 3) 2018-19.

positions. This is continued progress from 28%¹³ in 2016-17. SGB development audits¹⁴ have shown governance continues to improve with 45 sports now achieving satisfactory with comments or better, up from 44 in 2016-17.

We launched the new Standards for Wellbeing and Protection of Children in Sport¹⁵. Over 100 representatives from SGBs attended the launch event in December 2017. We worked in partnership with Children 1st to support SGBs as they transition to the new Standards and enhance their work in this area. We also worked closely with Disclosure Scotland and the Scottish Government on the Protecting Vulnerable Groups (PVG) scheme consultation. Through this we supported specific sessions with SGBs and the wider sport sector to inform the consultation.

We continued to develop strong partnerships through our regional infrastructure, connecting national and local planning and delivery. We worked with partners to further improve the data collected and disseminated through MySport across clubs, hubs and Active Schools. This is resulting in better planning and use of data to support continuous improvement.

We supported the development of the Active Scotland Delivery Plan and worked with partners to improve the content. We also supported the evidence sub-group of the National Strategic Group for Sport and Physical Activity to refresh the national indicators which align to the Active Scotland Outcome Framework¹⁶ (ASOF). We also shared data and evidence which highlights our contribution to ASOF.

Our organisation

This portfolio drives the core services which underpin delivery across all operational areas. We also encourage improvements through better use of intelligence and investment in new systems and processes. Our aim is to make **sportscotland** more efficient and smarter, and remain trusted.

We strive for efficiency and continuous improvement and have made several achievements over the last year. We continue to utilise Scottish Government procurement frameworks and open tendering to maximise savings. Our procurement approach and focus on supported businesses was recognised at the Scottish Government Supported Business Engagement event.

We improved our budget management and review process. We also continued to roll out a new HR information system, to help managers and facilitate employee self-service. We worked with the Scottish Government's Digital Transformation Service to review how the organisation uses digital technologies and consider the skills and

¹³ 2016-17 data is collected from SGB application form (section 3) 2017-18.

¹⁴ SGB development audit categories include: *unsatisfactory, performance improvement needed, satisfactory (with comments) or satisfactory.*

¹⁵ [Standards-for-child-wellbeing-and-protection-in-sport.pdf](#)

¹⁶ <http://www.gov.scot/About/Performance/scotPerforms/partnerstories/Outcomes-Framework>

knowledge currently available. We will review the findings to understand how we could apply digital technologies more effectively.

We published our first Gaelic Language Plan¹⁷. Through this we aim to support Bòrd na Gàidhlig to build a sustainable future for Gaelic and meet the duties laid out in the Gaelic Language (Scotland) Act 2005. We will use our Plan to facilitate opportunities for Gaelic development throughout our networks and the wider Scottish sporting community.

We initiated a project to ensure we are well prepared for the introduction of the general data protection regulation (GDPR) in May 2018. Ahead of GDPR coming into effect, we achieved Cyber Essentials Plus accreditation for our ICT systems management and security. We will ensure our revised processes and policies are in place by the deadline through comprehensive planning focusing on high risk areas.

We launched the initial phase of our 2015-19 corporate plan review process with our senior management and Board. This focused on environmental horizon scanning and an in-depth evidence review. We will then review the outcomes from the three major wider evaluations to help understand the impact of our support in these areas. We also implemented additional strategic discussion sessions with the Board which focus on important topics in sport. These sessions are informed by internal research and evidence as well as external expert speakers. They aim to inform Board level discussions and decision making.

Going concern

The statement of financial position at 31 March 2018 shows net assets of £35 million. Funding for sportscotland in 2018-2019 continues to be provided by the National Lottery Distribution Fund 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.



Stewart Harris

Chief Executive & Accountable Officer

29 August 2018

¹⁷ Gaelic Language Plan 2017-2022

Performance analysis

Our progress

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

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

Outcomes

Participation

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

Case study – Emma Waldie | Volleyball

When Emma Waldie was five, she started playing 'baby volleyball' as an after-school activity in the sports hall at Echline Primary School in South Queensferry. It was an introduction to sport that would go on to define and shape her life.

Emma is now one of the leading volleyball players in Scotland. Alongside Jennifer Lee she became the first Team Scotland representative in beach volleyball at the 2017 Commonwealth Youth Games in the Bahamas, where the duo reached the semi-finals.

From time to time, Emma returns to Echline Primary to deliver baby volleyball classes to pupils in her capacity as an Active Schools volunteer. When she finishes school at Queensferry High School her ambition is to study PE teaching at university.

So how did Emma's participation in sport at such a young age enable her to progress to the point where she can compete on the world stage, inspire other people as a young leader, role model and coach, and even pursue a professional career?

Strong links between community and school sport in her area were a critical factor.

Joining City of Edinburgh Volleyball Club, winner of Local Club of the Year at the 2016 Sunday Mail **sportscotland** Scottish Sports Awards, enabled her to develop her volleyball skills outside of school and gave her a pathway to the national team structure run by Scottish Volleyball.

Active Schools was another major driver. Emma volunteered at Games @ The Hub – a mass participation school sports day in Edinburgh – in 2015, 2016 and 2017,

progressing each year to take on more responsibility for the delivery of the volleyball activity.

"Volunteering with Active Schools is a fantastic opportunity to develop your confidence and gain more experience of coaching, and it also helped me to choose my career path," says Emma.

Heather Brownlee is Active Schools Coordinator for the Queensferry area and the coach who delivered Emma's first baby volleyball sessions. Alongside fellow coaches at City of Edinburgh VC, she has been one of the key people involved in Emma's development.

"Emma's always been very active and involved in sport and she has embraced the opportunities she has had through volleyball, being a player, a coach and an officiator," says Heather.

"The sport has given her so many experiences that have shaped her life as a young person."

In her fourth year at Queensferry High, Emma was selected as one of two Young Ambassadors to participate in the National Lottery-funded **sportscotland** programme that contributes to the development of young people as leaders in sport. Meanwhile, she continued to progress in volleyball both as a player and a coach.

"In May 2017 I started training for the Commonwealth Youth Games in the Bahamas, bang in the middle of studying for five Highers. I received great help from the guidance teachers at school and club coaches as well, who understood that I had to miss some sessions," says Emma.

"I'm hoping to continue playing for the senior national team and I would love to compete at the senior Commonwealth Games for Scotland whenever that opportunity materialises."

"I think it's so important to give something back to the sport that has given you everything, and I've done my UKCC Coaching Level 1 and 2 qualification, and I'm about to do it in beach volleyball too so I will be qualified to coach both indoors and outdoors."

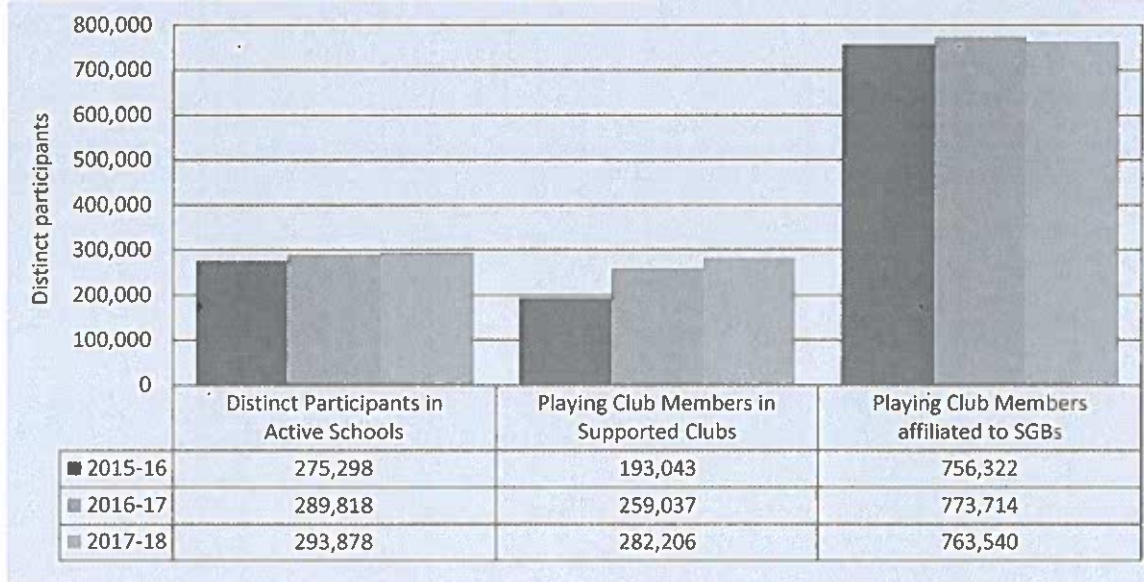
"I've been coaching for quite a few years now, mainly as a junior being mentored by older coaches but now I'm starting to lead sessions myself and really help to develop young players in the club."

An integrated, world class sporting system has given Emma every opportunity to build sport into her life, starting in her community and progressing to a national and international level. She has benefited from having the right people in the right places to support her.

Emma's own dedication has done the rest.

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

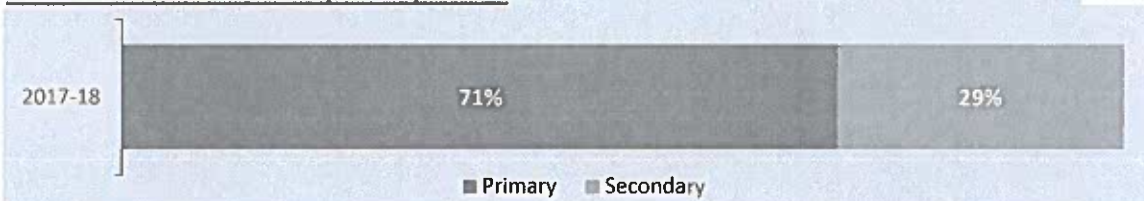
Distinct participants and playing club members



	<u>Comparable change since 2015-16</u>
Distinct participants in Active Schools	+7%
Playing club members in supported clubs ¹⁸	+6%
Playing club members affiliated to SGBs ¹⁹	+0%

Age breakdown of distinct participants and playing club members

Active Schools distinct participants²⁰



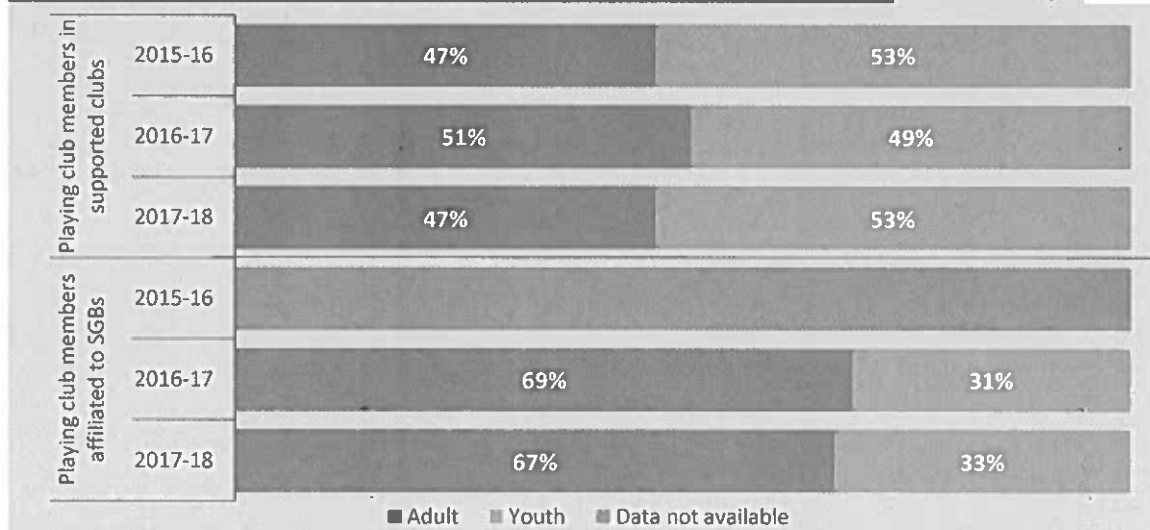
The proportion of primary school and secondary school aged Active Schools participants has remained static at around 70% and 30% respectively since 2015-16.

¹⁸ This comes from 1,022 supported clubs who returned membership data each year, 45% of 2017-18 total clubs. Please see <https://sportscotland.org.uk/playing-our-part/> for more detail.

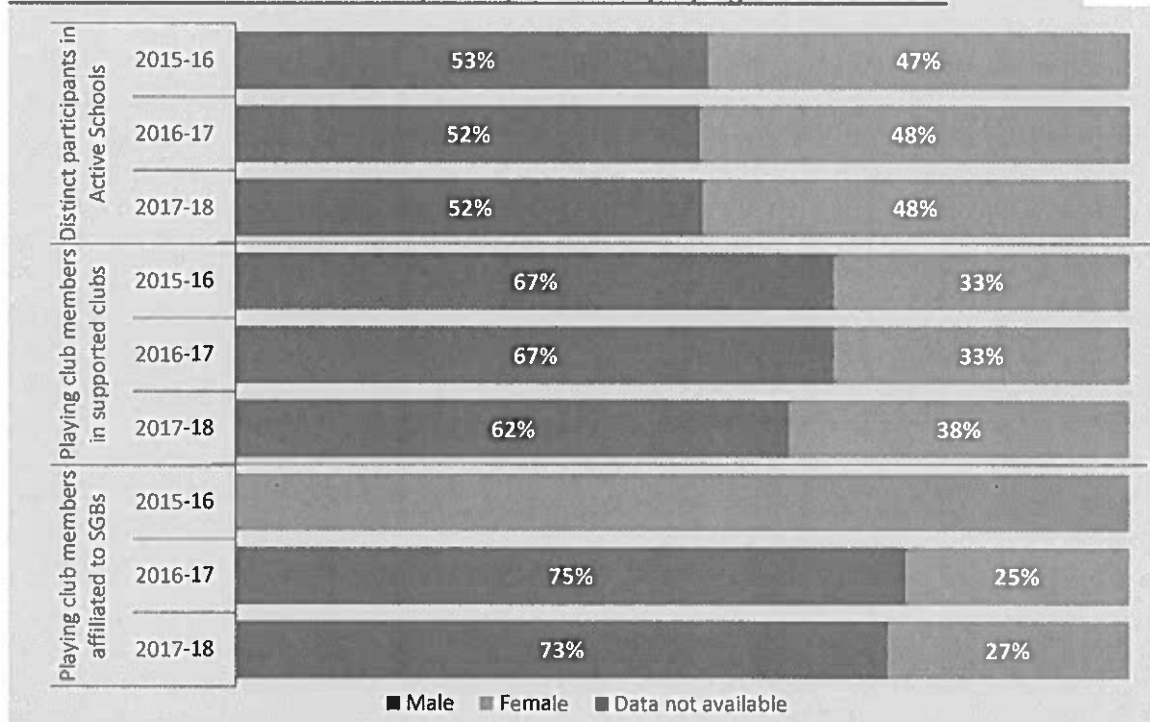
¹⁹ This comes from 45 SGBs who have returned data each year since 2015-16. Please see <https://sportscotland.org.uk/playing-our-part/> for more detail.

²⁰ 2015-16 breakdown: 30% primary / 70% secondary. 2016-17 breakdown: 30% primary / 70% secondary.

Playing clubs members in supported clubs and affiliated to SGBs



Gender breakdown of distinct participants and playing club members



The increase in the number of female club members in supported clubs is primarily due to the first-time addition of data from 82 gymnastics clubs. This added an additional 10,614 female youth club members.

Profile of distinct participants and playing club members

We commissioned large-scale surveys of school pupils and members of supported sports clubs and community groups. This explored the contribution our work makes to the Active Scotland Outcomes Framework (ASOF). It also allows us to better understand the diversity of people taking part in our supported work.

Profile of Active Schools participants

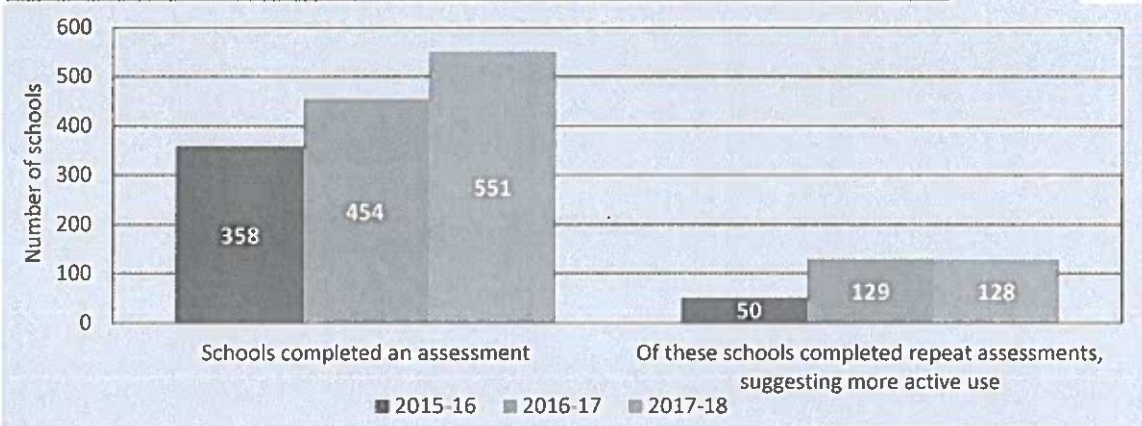
Levels of participation in Active Schools activities were broadly similar across different equalities characteristics. Secondary pupils, disabled pupils and young men spent a marginally higher average time at Active Schools activities. Active Schools was found to have a positive contribution to the physical activity levels of disabled participants in mainstream schools and people living in the most deprived communities.

Profile of playing club members in supported clubs

Respondents' ages generally reflected our understanding of club membership, with 55% aged under 18 and 45% aged over 18. This was also true by gender as slightly more respondents were male (52%) than female (47%), with a small proportion (1%) indicating that they would prefer not to say. However, this is more equal participation than the overall total supported club population. Most club members were from the least deprived parts of Scotland and 8% stated they were disabled. Due to the nature of the self-reported survey, it is likely that respondents were a more intensively supported sub-set of the overall total supported club population.

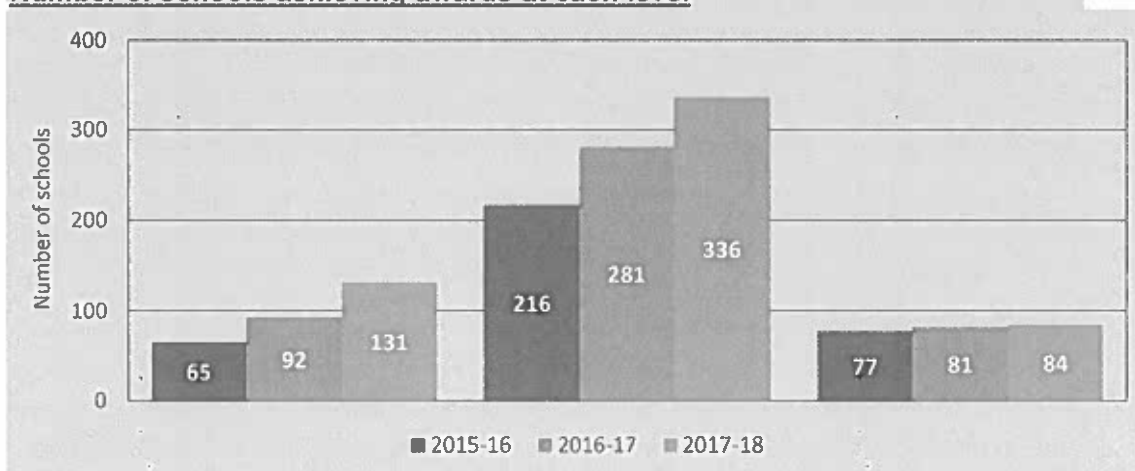
Impact measure 2 - We will have used the sportscotland School Sport Awards to strengthen the quality of sport within schools, driving strategic quality improvement and impact.

Number of schools completing assessments and repeat assessments



	Change since 2015-16
Schools completing an assessment	+54%
Schools completing a repeat assessment	+154%

Number of schools achieving awards at each level



	Change since 2015-16
Schools achieving a Bronze award	+102%
Schools achieving a Silver award	+56%
Schools achieving a Gold award	+9%

Impact of Schools Sport Awards

The school evaluation found School Sport Awards (SSA) positively impact the quality of sport in schools. The continuous improvement tool was found to encourage a greater focus on sport, connections and pathways. Teachers who had used the tool felt it had helped to self-evaluate, identify areas for improvement and inform future plans. They also noted it helped inform activity to increase future participation levels.

Stakeholders were also asked how effective they felt SSA had been in relation to the quality of opportunities to participate, develop and progress in sport:

90% of strategic stakeholders largely felt that the programme had an impact

57% of Active Schools coordinators and school sport competition officers felt it had been quite or very effective

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

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

We also developed and communicated the 'Effective Coaching Map' (ECM) to the sector. This is aligned to Coaching Scotland and is designed to help coaches identify and develop the skills, knowledge and behaviours needed to coach effectively and confidently. We will use the ECM to steer the future direction of coach development for ourselves and our partners, ensuring high quality learning and development opportunities are provided which meet the needs of coaches, participants and athletes.

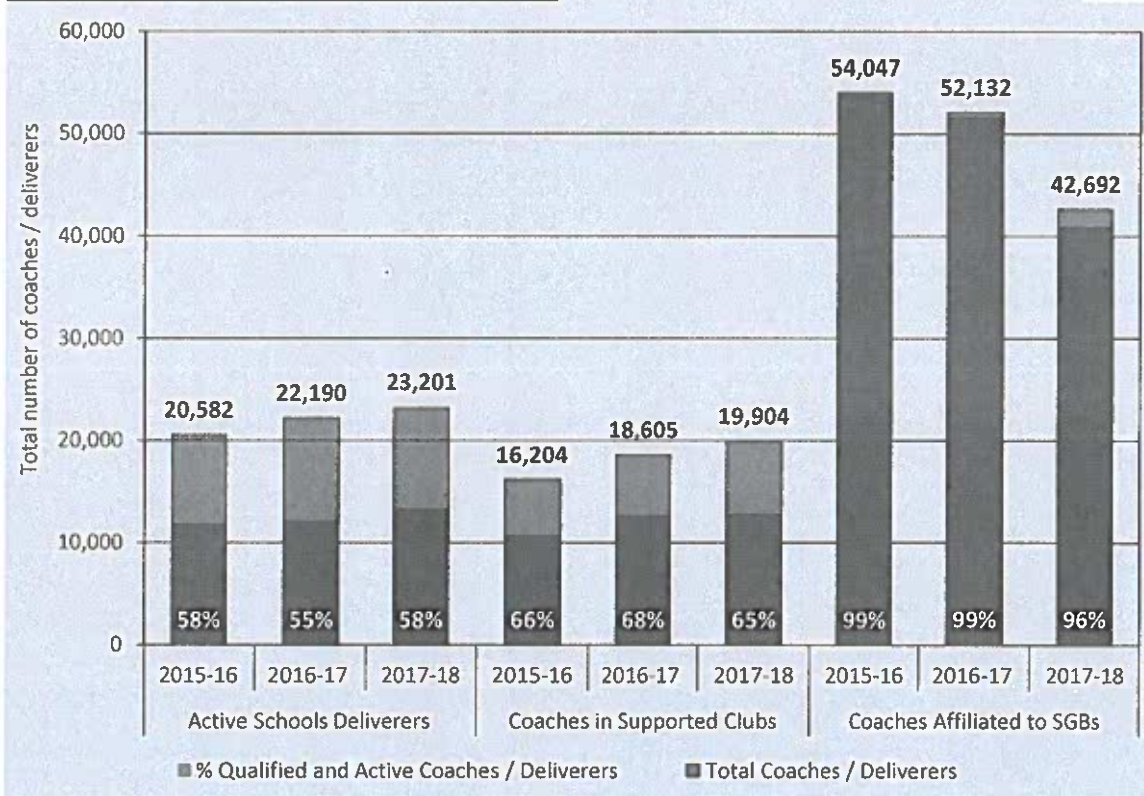
We engaged with the coaching network and partners through the coaching evaluation and the review of UKCC in Scotland. We will continue to work with partners to review recommendations and to inform our priorities and approach moving forward.

Feedback on our planned approach

The coaching evaluation found our leadership role in shaping policy and providing strategic direction is both highly valued and critical to ensuring the success of the sporting system in Scotland. We will continue to shape policy and strategic direction, and support partners to achieve agreed joint objectives and outcomes.

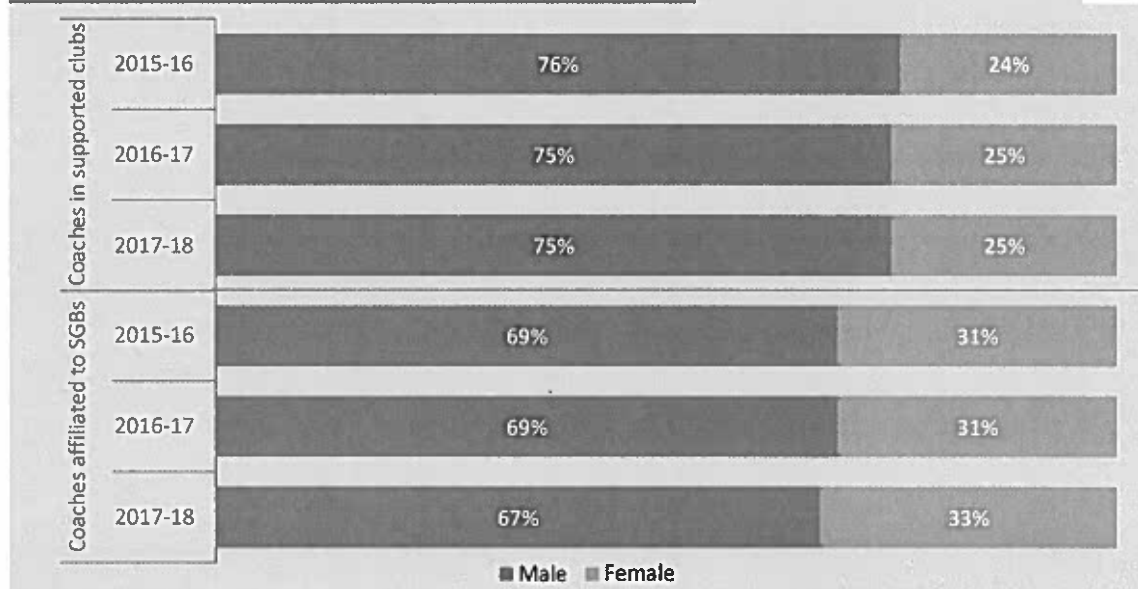
The evaluation recommended strengthening our approach by continuing to develop more collaborative working relationships. We will use this feedback to build a stronger sense of ownership and ensure better alignment between the over-arching strategic framework (Coaching Scotland) and partners' own strategies/plans.

Qualified and active coaches / deliverers



	<u>Comparable change since 2015-16</u>
Active Schools deliverers	+13%
Qualified and active, Active Schools deliverers	+13%
Coaches in supported clubs ²¹	+11%
Qualified and active coaches in supported clubs	+8%
Coaches affiliated to SGBs ²²	+6%
Qualified and active coaches affiliated to SGBs	+5%

Gender breakdown of qualified and active coaches



²¹ This comes from 903 supported clubs who returned coach data each year, 40% of 2017-18 total clubs. Please see <https://sportscotland.org.uk/playing-our-part/> for more detail.

²² This comes from 40 SGBs who have returned data each year since 2015-16. The overall fall in number of coaches is a result of four large membership sports making changes in their database, data collection or definition, rather than any "real-world" change. Please see <https://sportscotland.org.uk/playing-our-part/> for more detail.

Progression

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

Case study – McCowan family | Boccia | Inverclyde

Scott and Jamie McCowan have been playing boccia at national and international level for more than a decade.

Had the brothers not been offered the opportunity to participate in sport, and given the support and encouragement to progress, they admit that life could have been a great deal less rewarding.

Scott and Jamie suffer from the degenerative condition muscular dystrophy, and not only do their parents, Gary and Linda, provide round-the-clock care, they also perform the role of ramp assistants in the boccia arena.

The brothers are supported all year round by experts from the **sportscotland** institute of sport, who work together to provide integrated physiotherapy, performance nutrition, physical preparation and performance lifestyle services.

In 2016, all four members of the McCowan family represented ParalympicsGB in the Paralympic Games in Rio de Janeiro, and the following year, much closer to home, there was another landmark moment to cherish.

Twenty-five miles from the family's home in Dundonald, South Ayrshire, the **sportscotland** National Sports Training Centre Inverclyde re-opened after a £12million refurbishment. The McCowans soon discovered that the new Inverclyde was no ordinary sports centre.

When Scott and Jamie attend residential camps with their Boccia UK team-mates, they benefit from a unique array of accessible facilities. The ceiling hoist in their bedroom saves Linda "*half an hour every morning*", giving the athletes more time to train, work out, eat and recover – all essential components of the average day in this high-performance environment.

"When you see Scott and Jamie compared to other boys the same age and with the same condition, they're just so healthy," says Gary McCowan. "That's due to the funding we get and the support we get and it's also because, mentally, they've got something to focus on."

Linda adds: *"The outlook is that the older they get, the condition will make them deteriorate, but by doing this we have saved a lot of that from happening. We've had friends over the years whose kids haven't got this far."*

Jamie, 23, was ranked No.3 in the world in the BC3 classification in early 2018. He and Scott, 26, are likely to be vying with another Scottish player, Patrick Wilson, for two male places in their category at the 2020 Tokyo Paralympics.

Barry Fleeting, Head of Centre, says: *"When Boccia UK come to Inverclyde for a training camp, the players can expect inclusive accommodation which is unique*

across the UK. The centre provides for all of the needs of the athletes under one roof."

"For them it's a really unique experience where they can get the very best out of their training and preparation."

Playing their part in an integrated sporting system is not a new experience for the McCowans. As a teenager Jamie set up an 'inclusion squad' in his school in South Ayrshire to enable all pupils to take part in PE, a concept that has since been rolled out in all schools across the area.

The McCowans had an interest in sport from an early age but they were introduced to boccia when they attended a come-and-try event in Ayrshire and met Claire Morrison, now Boccia UK's national coach.

"The first time I met them I was working for Scottish Disability Sport, delivering some boccia sessions at the Ayrshire Special Games, and I said to Scott in particular that he should get involved, that it would be a good sport for him," says Claire.

"The following year, both Scott and Jamie were there and so I nagged them a little bit and said that we were having an open day with the Scotland squad, and sold them on what the sport is. They came along, started to appreciate the sport a bit more and understand that they could play it, and they've not looked back since."

The future for the brothers is uncertain, because of the nature of their condition, but they have already crammed as many sporting adventures into a decade as many athletes experience in an entire career.

Jamie says: *"Our parents provide so much support. Without them, this wouldn't be possible for us. To do it as a family is really special – not many people can say they get to compete not only with their brother but their mum and dad, and they are very much as competitive as we are."*

"Ten years later we are still going strong, and it really is an amazing thing to be part of."

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

We aim to work with up to ten SGB partners to develop a tool to support them through the process of understanding and describing the athlete pathway for their sport. We identified three partner SGBs to run a pilot programme however due to staff changes only two sports completed the full pilot. We then established a new operational group in July 2017. We used the learning from the pilot to revise and strengthen the content of our resources and facilitated sessions.

We have used an amalgamation of several SGB audit tools from sportscotland and UK Sport to develop a revised pathway tool. This was developed with the support of the Scottish Canoe Association. The completed tool will allow sportscotland staff to support SGBs to better describe their sports pathway.

We are now supporting an additional three sports to both understand and describe their pathway. We will continue to roll the tool out to more SGBs, depending on their state of readiness, and engage with internal staff to develop their understanding.

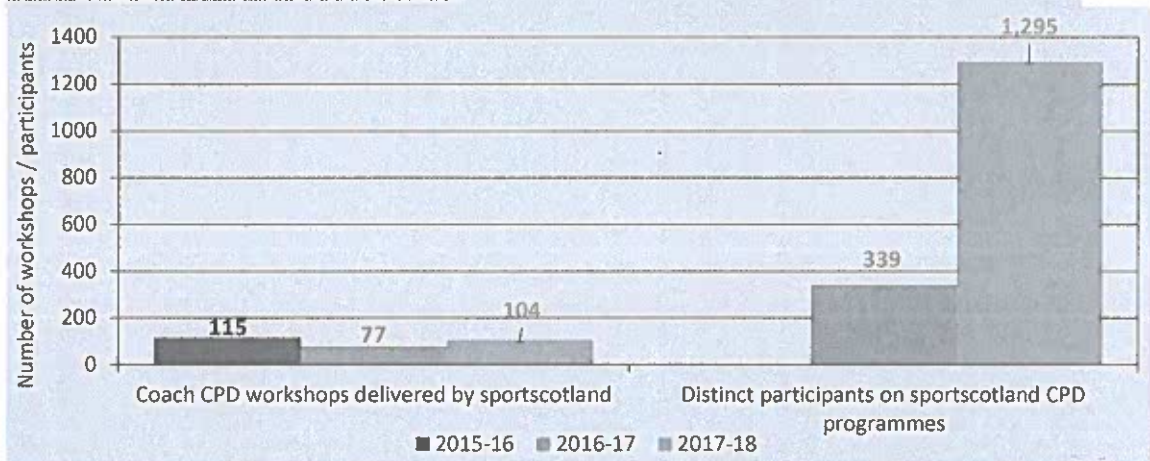
3 SGBs supported to understand and describe their sport specific pathway effectively, up from **2** SGBs in 2016-17²³

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

We deliver and support the education and development of coaches at each stage of the coach pathway. We invest in the development and delivery of CPD opportunities for coaches. Our investment and strategic support to SGBs supports the delivery of sport-specific CPD. These coaches in turn encourage new participants and retain current players and athletes in their chosen sport.

We continued to promote coach CPD opportunities and support coaches in their personal learning by developing the functionality and content of our coaching app. This included creating new video resources, audio podcasts and digital communications to support learning. The app now has over 1,400 active users, with a 78% return rate to the content. We also supported several SGBs with the digital activation of their sport-specific coach education and development offer.

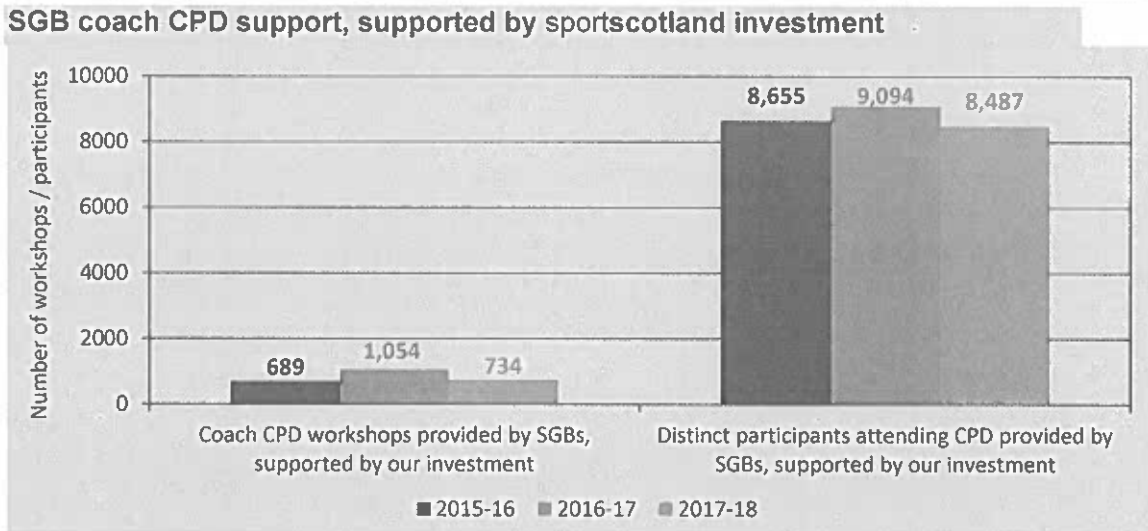
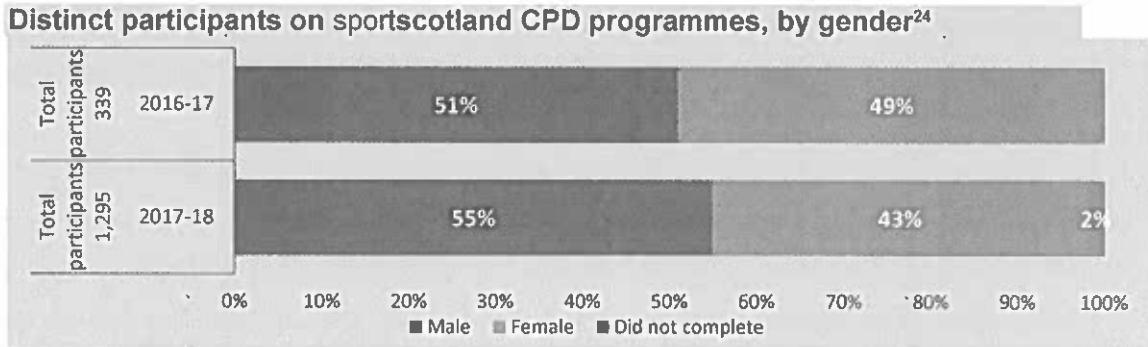
sportscotland coach CPD support



We continued to develop positive relationships with higher education and further education partners to create new opportunities for coaches. We increasingly delivered coach CDP through these partners, moving away from direct CPD workshop delivery. This approach has increased our access to a wider pool of sport

²³ 2017-18 figure includes the following SGBs: rowing, canoeing and snowsport. The 2016-17 figure has been revised from 3 SGBs to 2 SGBs. This recognises that only two SGBs fully completed the pilot.

specific coaches and improved the efficiency of our delivery. This has significantly increased the number of distinct participants receiving CPD.



How we support more coaches to be better at coaching

The coaching evaluation highlighted our direct support to coaches, through our CPD opportunities and UKCC subsidy, and our funding to coaching network officers as being the key ways we impact coaches.

Our direct support was shown to be comprehensive and has enabled coaches to achieve several learning outcomes, including improved technical knowledge and ability; increased confidence and capability; and improved coach interaction with sports participants. However, our support offer can be challenging for coaches to navigate. Through a streamlined, coach-centred approach we can provide coaches with greater clarity around our offer and the potential benefits and routes in.

Our role in providing leadership for the Coaching Network was shown to be very important but that greater empowerment would more effectively draw on their knowledge and experience, ensuring greater alignment and delivery of national outcomes.

²⁴ 2% of participants on sportscotland CPD programmes chose not to answer the question.

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

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

We continue to support athletes, sports and partners to prepare for the 2018 Commonwealth Games in the Gold Coast. All SGBs engaged in our Mission Gold Coast 2018 monitoring process have confirmed that athlete support services are on track. They are also delivering specialist support services required to support optimal athlete performance.

We invest in Commonwealth Games Scotland (CGS) financially. We also deploy support staff to support Team Scotland preparation and performance. This year we provided additional financial investment to help fund the preparation camp. 34 Institute staff have been confirmed in key positions in Team Scotland. Using the same support staff provides athletes with continuity and reassurance as they aspire to perform on the world stage.

We allocated £235,000 to 53 athletes, across 11 sports, through the sportscotland Athlete Personal Awards (SAPA) initiative. This investment contributes towards the delivery of performance outcomes at the Commonwealth Games by supporting athletes with living costs and increased training and competition opportunities. We also continue to foster strategic partnerships with higher education institutions to deliver solutions to support performance outcomes at the Gold Coast.

We supported SGBs to ensure athletes, coaches and athlete support personnel meet the requirements of our Clean Games policy. This is a crucial element of Games preparations, requiring long-listed athletes to receive educational support and training. All 350 long-listed athletes have now received this education.

Our monitoring data and processes suggest that we were on track for a best-ever performance at an away Commonwealth Games. We are looking forward to completing this cycle in early 2018-19 by ensuring continued impact and success in the Gold Coast.

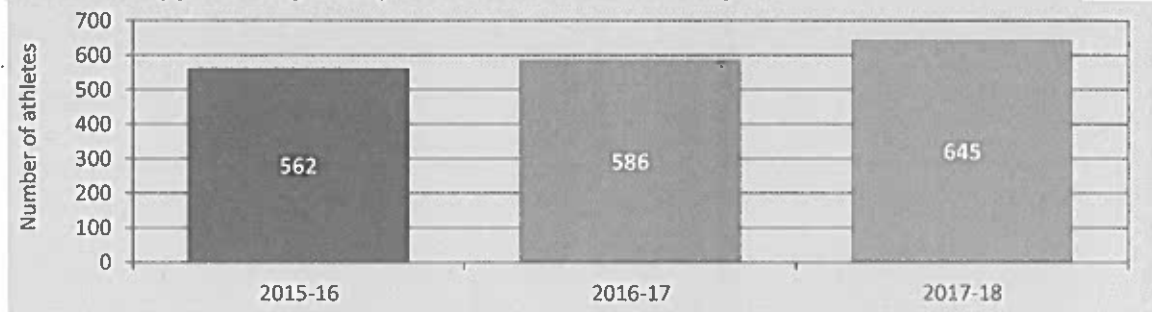
156 Institute supported athletes selected for Team Scotland

£313,000 invested into Commonwealth Games Scotland, up from **£163,000**²⁵

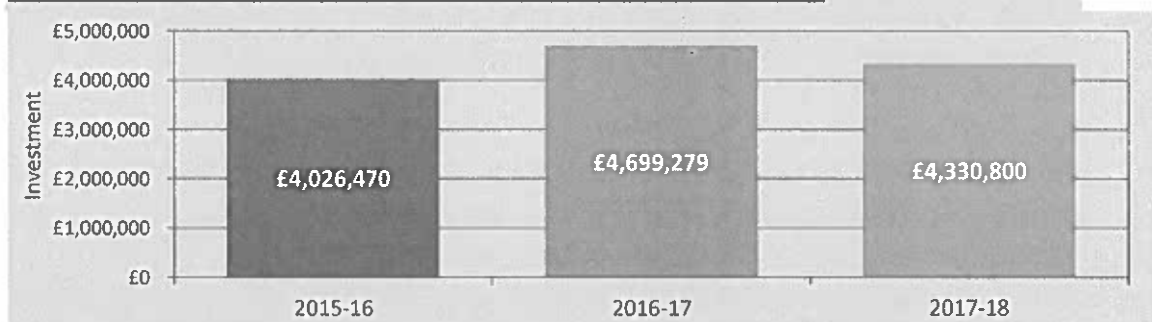
²⁵ Investment to CGS of £163,000 in both 2015-16 and 2016-17

Performance sport services to athletes

Athletes supported by the sportscotland institute of sport

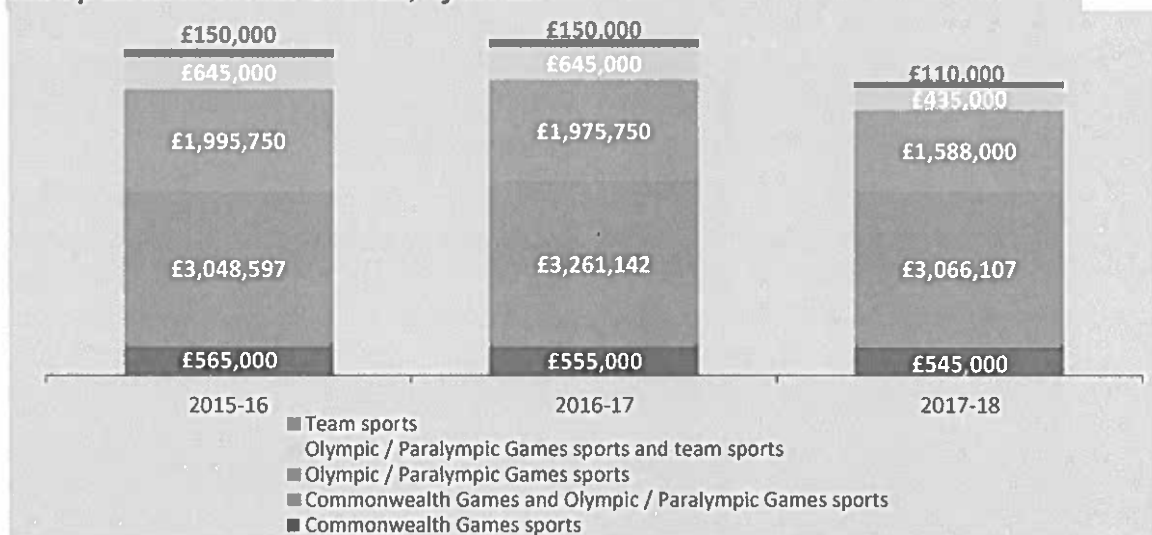


Financial equivalent of performance sport services provided



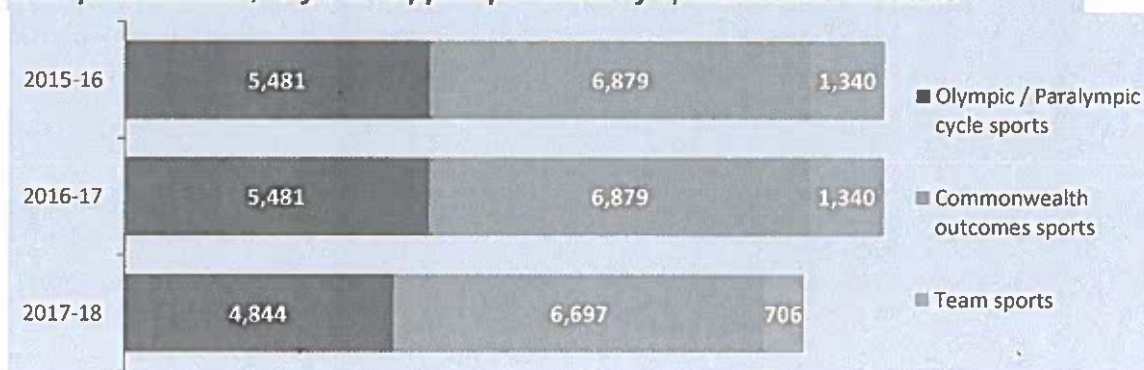
Performance investment into SGBs

SGB performance investment, by event



Overall performance investment was reduced from sportscotland's 'Investment Category' and additional investment was awarded through an additional £2m transitional support fund from Scottish Government.

SGB performance, days of support provided by sportscotland institute



Institute support levels were subject to a mid-point review. An overall reduction was mutually agreed with SGBs due to resource reprioritisation and availability.

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

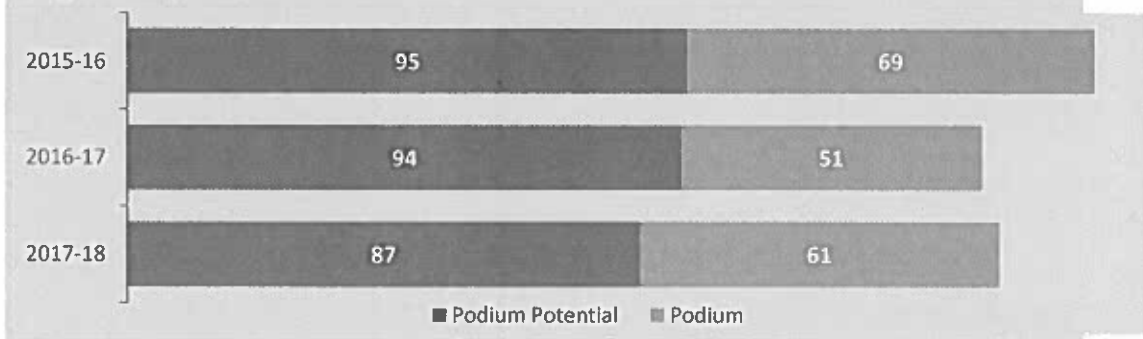
During 2017-18 we prioritised the delivery of our headline goals for the 2018 PyeongChang Winter Olympics and Paralympics whilst continuing preparations for the 2020 Games in Tokyo.

Through our SAPA initiative, we provided direct athlete investment to help support living costs and increased training and competition opportunities. We invested £54,000 to 13 athletes across five Winter Olympic and Paralympic sports, to contribute towards the delivery of performance outcomes.

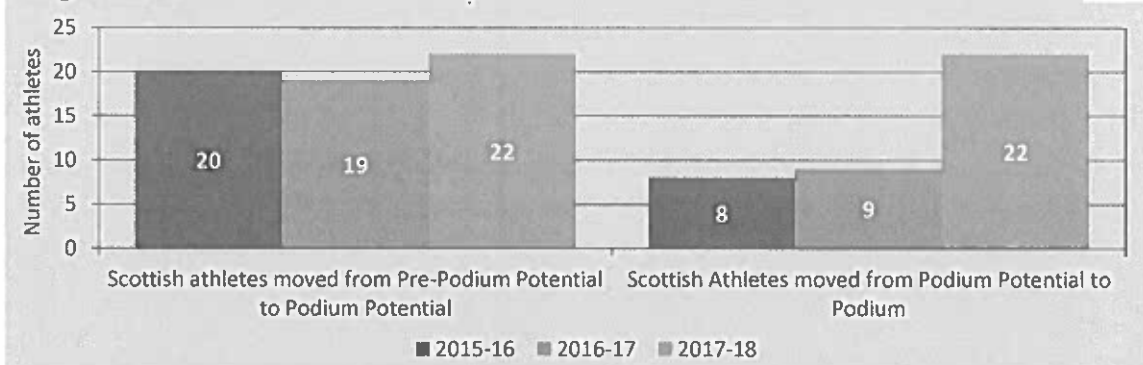
We supported Scottish athletes to meet the requirements of our Clean Games Policy as part of their preparations for the Winter Olympic and Paralympic Games. We also supported the delivery of the UK Anti-Doping Clean Sport Policy to GB athletes based in Scotland with the potential to gain selection for Team GB and Paralympic GB. This ensured all 25 Scottish athletes selected onto Team GB and Paralympic GB received both Clean Sport and Clean Games education.

- 18** Scots on Team GB at Winter Olympics
- 3** medals won by Scottish athletes at Winter Paralympics
- 1** Scottish medallist at Winter Paralympics
- 7** Scots on ParalympicsGB at Winter Paralympics
- 88** UK Sport Podium and Podium Potential athletes are based in Scotland receiving specialist expertise and support services as at 31 March 2017. This was a reduction of four athletes compared to 31 March 2016.

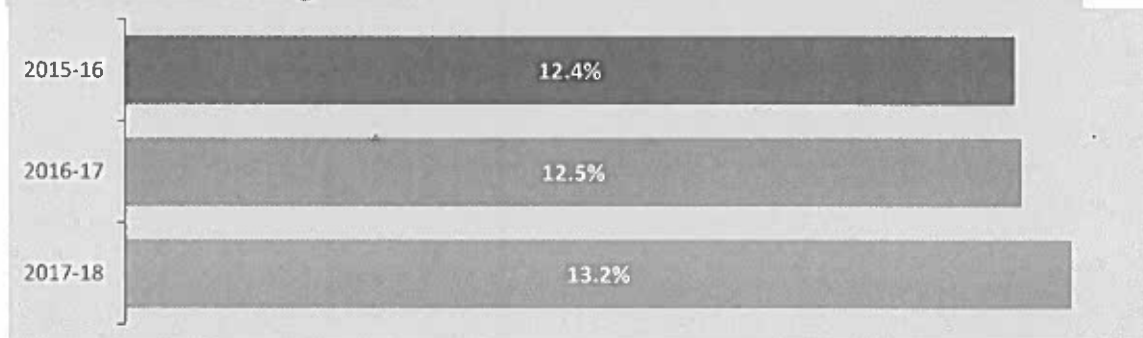
Scottish athletes supported by UK Sport Podium and Podium Potential Programmes



Scottish athletes progressing through UK Sport Podium and Podium Potential Programmes



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



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

Enablers

People

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

Case study – Jonny Muir | Aberdeen Schools Rowing Association

There are thousands of sports clubs in Scotland run by dedicated, passionate and knowledgeable volunteers.

However, the employment of a full-time coach, even for a finite period, can help to enhance a club's development and Aberdeen Schools Rowing Association (ASRA) have used targeted funding to great effect in recent years.

The club has changed the face of rowing in Aberdeenshire, with a number of rowers coming from state schools as well as the private schools that previously formed the backbone of the rowing community.

Direct Club Investment (DCI) is a large-scale sportscotland club development project which distributes National Lottery funds directly to clubs over a period of two to four years, giving them time to embed significant change.

A £40,000 DCI grant awarded to ASRA allowed them to hire a full-time pathways development coach, Jonny Muir, on a four-year contract. He ran taster sessions for S1 and S2 pupils at 12 schools across the region, engaging more than 1,000 young people in rowing, and encouraged pupils to further their interest in the sport at ASRA. The result was a growth in the schools membership of the club from 133 to 451.

"When I first came to the club, we all talked about what school we were from and it was such a mix, a wide range of schools in the countryside and the city," says junior rower Abigail Topp, who attends Kemnay Academy in Inverurie.

Jakub Zbikowski, another junior rower who attends Harlaw Academy in central Aberdeen, said: *"I used to play badminton and football, as the rest of the school did, but then Jonny came in with the schools programme and got me into rowing. Jonny's attitude just caught my interest in the whole thing."*

Stevie Baxter, Scottish Rowing's head of workforce development, said: *"Rowing is a fantastic sport that provides opportunities for anyone, regardless of their background. Having someone like Jonny through DCI funding has enabled ASRA to provide opportunities for kids who might not have had the opportunity to participate in rowing."*

"Regardless of whether you're a social rower or an individual who wants to get a podium performance at the Olympics, this is a fantastic opportunity and Scotland's world class sporting system provides that."

Jonny has advanced his UK Coaching Certificate credentials with the support of Scottish Rowing, and ASRA has achieved great success at national level during his time with the club.

"One of the achievements we are most proud of is our victory in the British Schools Head," he said. "We picked up gold in the Junior Under-15 Championship eights, racing schools like Westminster, St Paul's, Eton, all the traditional rowing schools that you can think of.

"The growth at ASRA is a direct result of the DCI funding. I've been able to go into schools that maybe haven't had access to rowing previously and give that opportunity to kids within the school.

"Going out to schools in the past three or four years, I've been able to develop a relationship with these guys and I don't think most of them see it as a posh sport any more.

"Abigail and Jakub are both examples of young rowers who have become great role models, on and off the water. They came through the state school programme and now people are looking up to them and wanting to follow in their footsteps."

Abigail added: *"I wouldn't have got into rowing if it wasn't for Jonny coming into my school. Now I'm training six times a week and travelling to compete at the weekends, so it's a big commitment. Next year I'm hoping to trial for the Great Britain under-18 team."*

ASRA has been helping young people to participate and progress in rowing on the banks of the River Dee since 1960, and the club has undergone a major expansion since the turn of the century. The construction of a large, state-of-the-art boathouse was part-funded by £100,000 from sportscotland's Sport Facilities Fund in 2012.

Club president Bryan Steele, who joined ASRA in 1969, said: *"With Direct Club Investment we have been able to buy top boats for our top rowers, and we have employed Jonny Muir as pathways development coach. He has been brilliant for us and the four years we have had him have been a wild success."*

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

We manage and support the planning and delivery of activities to develop coaching and coaches within Scotland, through our integrated investment process to SGBs. This includes support to coaching network posts and delivery of coach CPD programmes. We also provide support through our coaching and volunteering partnership managers, regardless of whether SGBs have a supported coaching network post. These activities are aligned to the aims, priorities and outcomes of Coaching Scotland.

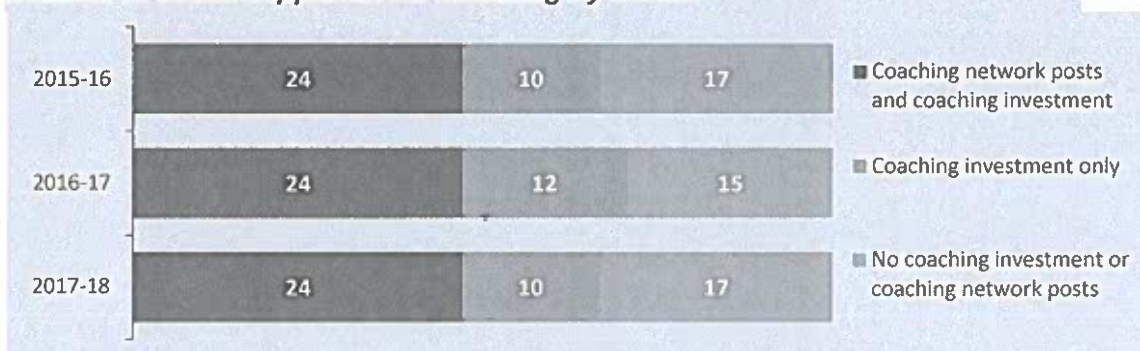
The coaching scorecard helps SGBs to plan, develop and deliver their coach education and development programmes. It also supports SGBs to reflect on and record their progress in delivering against the priorities and actions in Coaching Scotland. The coaching evaluation showed that SGBs find the scorecard a useful tool for planning. There is a shared view with partners that it has the potential to gather more valuable information relating to the quality and impact of what is delivered.

We continue to encourage SGBs to look strategically at long-term workforce development and ensure coaches are progressing through qualification levels. Our main focus is to provide more emphasis on the quality of the workforce and to encourage SGBs to invest in retaining coaches who are committed to deployment and further training opportunities. We continue to support new and developing coaches to achieve qualifications, based on projected plans by sports. We also provide greater flexibility and support to coaches who apply for subsidy at level 2 or above.

We commissioned an external evaluation of UKCC in Scotland in 2017. We will consider the recommendations with sports. UK Coaching and Sport England are also leading a wider piece of work in relation to the future of coach qualifications across the UK. We will monitor developments and any implications for coaching in Scotland from the UK wide review.

SGB coaching support

Number of SGBs supported for coaching by strand²⁶



Total investment to support SGBs for coaching by strand



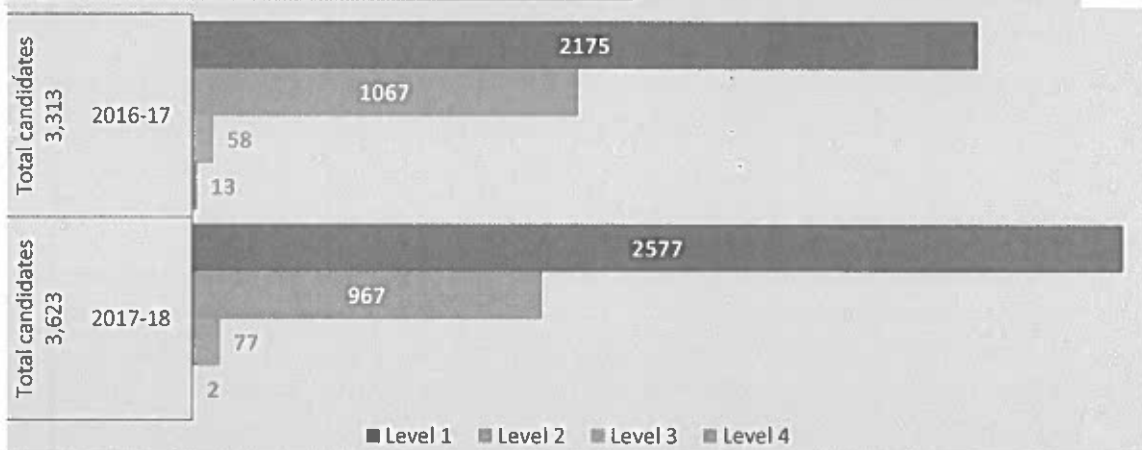
²⁶ N=51 for 2015-16, 2016-17 and 2017-18

Coaching scorecard completions

We refreshed the coaching scorecard in line with the updated Coaching Scotland framework. As a result, the scorecard was not available for SGBs to use for the majority of this year. Any SGBs who were in the process of completing the scorecard during this time were guided to see it through. Consequently, the number of scorecard completions dropped from 12 in 2016-17 to two in 2017-18; however, this is expected to return to previous levels in future²⁷.

UKCC subsidy

UKCC candidates subsidised by sportscotland



Gender of subsidised UKCC candidates²⁸



Diversity of supported coaches

The coaching evaluation found that people from disadvantaged communities are less likely to apply for the UKCC subsidy. We therefore have a role to identify, understand and address the existing barriers. This will help encourage and support people in these areas take up the opportunities. We will use the research to inform a more targeted approach to coach education subsidy, whilst ensuring coach education is accessible by all.

The evaluation also showed there is under-representation of certain groups in the coaching workforce. Our partners believe we have demonstrated commitment to making improvements in the diversity of supported coaches. They also recognise

²⁷ 2015-16: 26 SGBs completed the scorecard

²⁸ 2016-17 n= 3,313 and 2017-18 n=3,623. Note: we erroneously reported subsidised UKCC candidates as 55% male and 45% female. This should have read as 45% male and 55% female.

that although we are yet to see significant changes on the ground, it will take time to see this change. We recognise more work is required to attract and retain a more diverse coaching workforce. We will continue to provide leadership and support to partners to achieve this.

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

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

Performance through Leadership

Our internal leadership programme, Performance through Leadership (PtL), was designed to support participants to continuously improve critical performance and leadership behaviours. In March 2016, an external evaluation found the content, delivery and learning outcomes for participants to be successful. This also highlighted a need to ensure participant's learning is supported and consolidated to lead to sustained change.

We have continued to embed the principles from PtL in our day to day activity. We have formed several working groups to review and improve operational policies and processes. These groups include representation from all areas of **sportscotland** and have adopted the tools used in PtL such as action learning sets. This approach ensures a diverse range of views is heard and empowers groups to work together to develop agreed solutions.

We will use the learning from PtL to develop an internal management development programme. This will offer a series of learning interventions to further enhance the management skills of all managers, and aspiring managers, across **sportscotland**.

External leadership

We have committed to delivering an integrated, leadership programme for local and national leaders of sport. We aim to support these leaders to enhance their skills, knowledge and behaviours to successfully operate at management levels beyond their current role. We have identified a preferred supplier to develop and deliver this course in 2018. This will include opportunities to hear from leaders from within, and out with, the sporting sector.

We have also continue to support the Women's' Sport Leadership Academy, a residential programme for women from partners and **sportscotland**. This aims to increase the confidence and competence of women working in sport in a range of leadership behaviours.

External and internal leadership development programmes



The reduction in total participants is due to two previous external leadership opportunities coming to an end²⁹. These will be replaced by the integrated leadership programme.

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

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

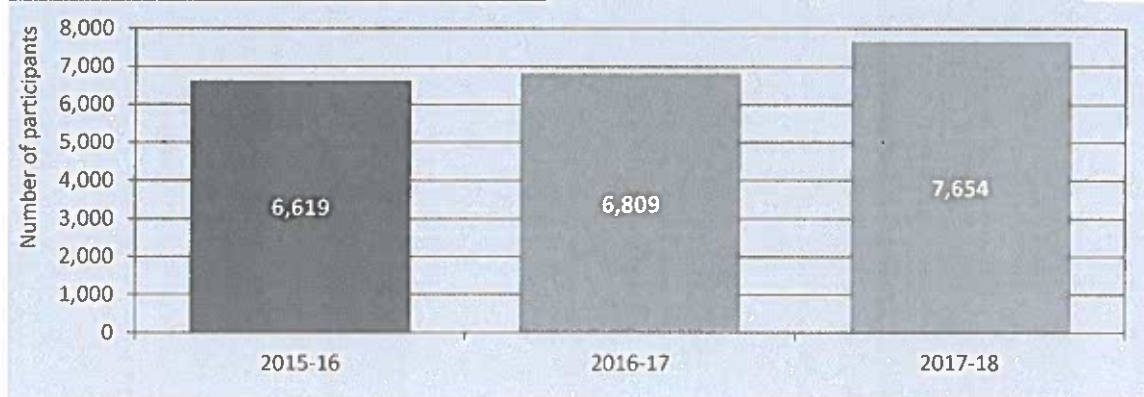
- Young Ambassadors
- Young Decision Makers
- Internship
- Competition Organiser Training
- Young people's sports panel

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

²⁹ *Leading Edge: a high-level leadership programme for senior CEOs in partnership with the UK home country sports councils and UK Sport. Future leaders. a mid-level leadership programme for a variety of SGB staff delivered by Plan4Sport.*

²⁹ Please see <https://sportscotland.org.uk/playing-our-part/> for more detail

Participants at leadership opportunities



	<u>Comparable change since 2015-16</u>
Participants at leadership opportunities	+15%

Impact of our leadership opportunities

The school evaluation highlighted the range of opportunities available to senior pupils. Pupils said that they felt very well supported by their Active Schools coordinator and enjoyed delivering Active Schools activity. Pupils also valued the experience they gained through volunteering to run activities in schools and local clubs.

Secondary pupils and Young Ambassadors indicated that they learned many new skills including confident leadership, organisation, communication, team work and public speaking. A number of pupils also gained leadership and coaching qualifications through Active Schools. More than half of Active Schools staff felt Competition Organiser Training had been effective in helping young people to develop their leadership skills.

Places

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

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

We continue to establish the sportscotland National Sports Training Centre Inverclyde as an inclusive, residential sports facility, since it's opening in April 2017. The Centre provides a unique set of facilities within Scotland and the UK, offering 60 fully accessible rooms with the capacity to accommodate up to 120 athletes of all ages and abilities. It aims to serve sport at all levels, including: the local community; schools; sports clubs from across Scotland; SGBs; and, sports competitions and related events.

Throughout the project we have continued to strengthen our partnership with North Ayrshire Council and the new Largs School and Community Campus. We worked closely with the school's senior management team to agree programming and timetabling. This ensures campus pupils can access and use the facility during the school day. We also introduced a new Centre Management Team to build strong relationships with centre users.

Through 2017-18, we have seen a number of SGBs, local authorities and schools return as well as continued use by the local community. We also secured a range of new users including GB Boccia, Help for Heroes, the Amputee Football Association, the Manchester United youth squad, the USA Olympic development squad and the RYA. This is testament to the Inverclyde's ability to cater to all levels of sport in an inclusive manner. During 2017-18, the Centre provided almost 18,400 participant days and over 54,000 sports facilities user hours.

We continue to seek views from centre users in order to better meet their needs. This has included the rebranding the bar area, creating an athlete lounge, and providing inspirational branding throughout the Centre. We also initiated a thorough project review to capture the learning from the redevelopment. We have used this knowledge to inform future sportscotland project development and delivery.

Inverclyde investment

£14,700,000 total cumulative investment to date

£400,000 of total project budget remaining

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

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

We have continued to rationalise key sportscotland Institute of Sport (SIS) service delivery areas into Oriam. The strong relationship between Oriam and SIS has enabled the provision of a consistently high quality of service to supported athletes. Regular joint-operational meetings have provided SIS with a greater opportunity to influence the development of the performance spaces. As a result, SIS staff are taking advantage of the unique performance environment and finding ways to work collaboratively across a range of areas.

We continued to strengthen the relationships between the SIS, Oriam, the Scottish Rugby Union (SRU), the Scottish Football Association (SFA) and Edinburgh Rugby. The working relationships between practitioners, through shared usage of the performance spaces, are very encouraging. SIS supported athletes are now working alongside their male and female counterparts from the Scotland Rugby and Scotland Football squads, highlighting the successful integration of Oriam into our high-performance network.

While not directly linked to Oriam, the opening of the new hotel on campus has added another dimension to the performance environment through the provision of conference and meeting facilities alongside quality accommodation. This has already helped to attract some high-profile events including the UK Coaching Conference held in June 2018.

Oriam investment

£26,460,000 final cumulative investment

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

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

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

Local partners

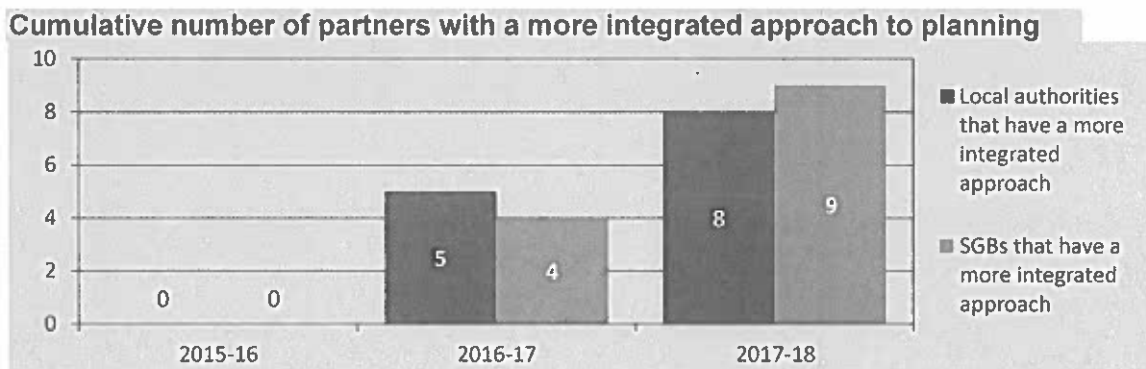
We continued to lead the development of eight strategies and strategic planning frameworks with local authority partners. Local leadership groups, which comprise partners from across the Community Planning Partnership, now include local planners responsible for the design and delivery of places. This delivery includes capital projects as well as open and greenspaces i.e. places where sport and physical activity take place.

Through the planning process, partners identify high level key priorities which are underpinned by more detailed resource and delivery requirements. We support partners' strategy and framework development through local cross-partner leadership groups. These consist of local authority partnership managers, regional lead managers and facilities planning colleagues. Our support to integrate sport and physical activity facilities within partners' strategies has enabled them to be much clearer about their places for sport priorities and has informed their estate plans.

National partners

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

We invited nine SGBs to a review process in autumn 2017. Of these, five demonstrated integrated planning that included facilities as well as sport development aspects. We also offered SGBs facilitated support in their strategic planning process. Three SGBs used sportscotland staff to facilitate this in 2017-18.



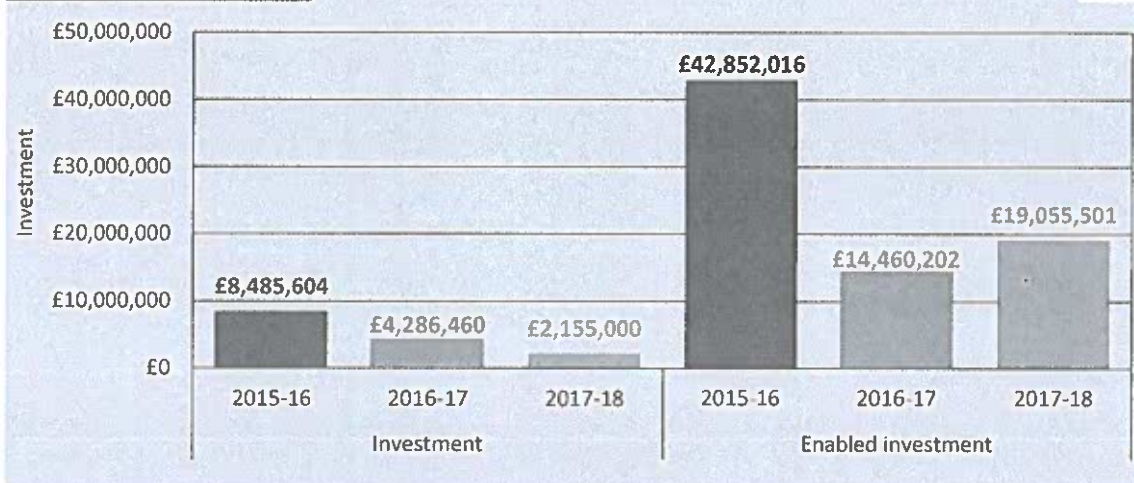
Impact measure 14 - We will have targeted our resources around the development of places for sport where they can have the greatest impact on participation and progression in sport.

We only invest in projects where applicants clearly demonstrate how their projects will impact on participation and progression outcomes, and our priorities for improvement. We continuously review our approach to investment to ensure we can target and prioritise our available resources effectively.

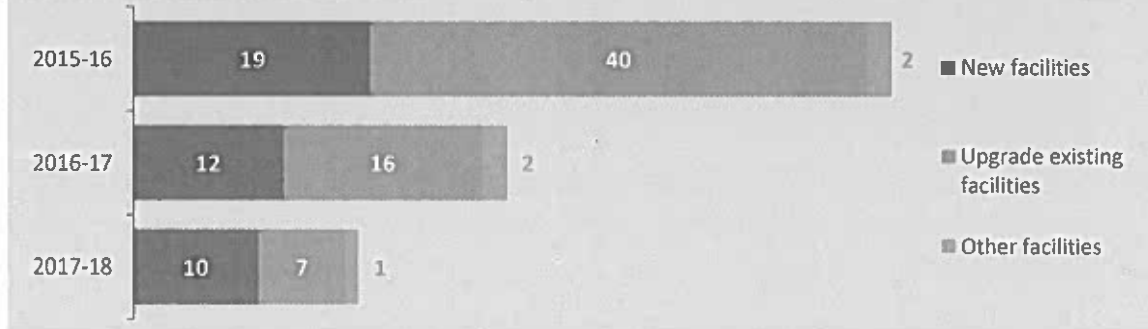
In addition, we only invest in schools when there is a clear link to clubs and use by the community, and there is clear evidence of community engagement. We will only invest in performance and national or regional projects where there is a strategic fit with an SGB. This is how we ensure our investment contributes to the sporting system.

We updated our Sports Facilities Fund guidelines during 2017-18. These now better reflect our commitment to only invest in projects that deliver against these objectives. This is supported by a strong application and assessment process, which draws on internal and external expertise. We have now moved to two investment rounds per annum and have adopted a collaborative approach with more SGBs in the application and assessment process. This ensures we can prioritise and target our available resources more effectively.

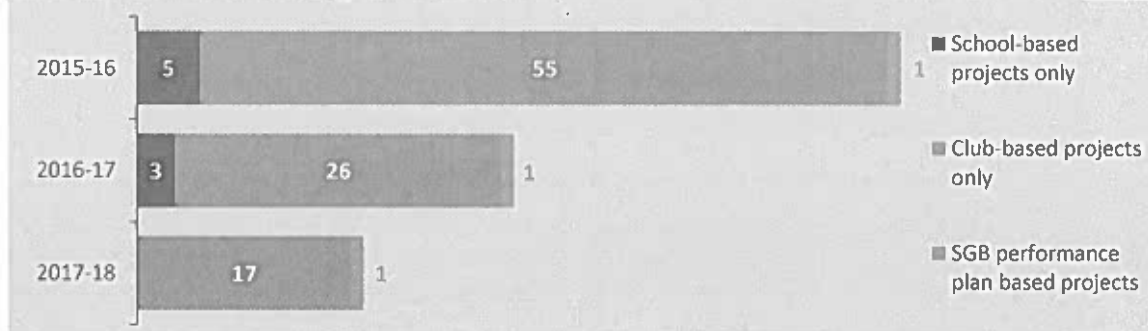
Investment in facilities



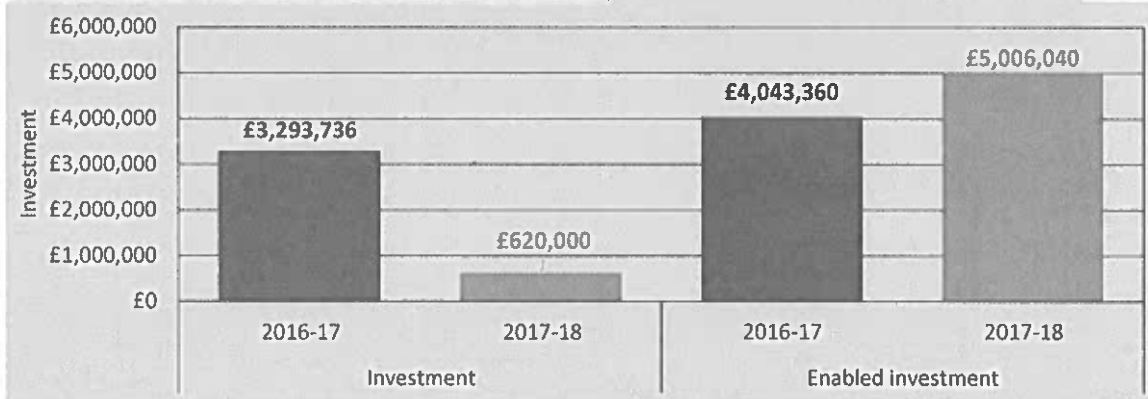
Investment in facilities by type³⁰



Investment in facilities by environment³¹



Investment in national and regional facilities



³⁰ Investment is shown through number of awards made. N= 61 for 2015-16, n = 30 for 2016-17 and n = 18 for 2017-18.

³¹ N= 61 for 2015-16, n = 30 for 2016-17 and n = 18 for 2017-18. Awards to SGB performance plan-based projects refer to those where we have supported an identified need.

Profile

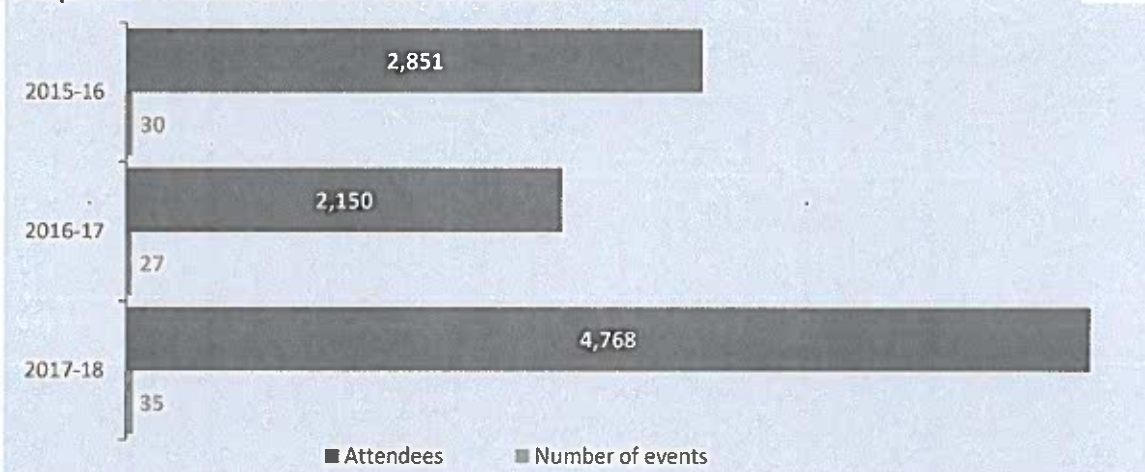
You will see and hear about a range of sporting opportunities and be inspired by the success of Scottish sport.

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

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

- Development and roll out of monthly communications themes
- Continued success of #sporthour, a monthly Twitter conversation for the network about sport in Scotland.
- Success of #ThanksToNationalLottery campaign
- Development and re-launch of the sportscotland app
- Delivery of a digital day for Active Girls
- Development of 'Focus on SGB' series to profile the range of sports in the sporting system.

Corporate events: Number and attendees



The increased number of attendees at corporate events is a result of the biennial regional networking events and running a greater number of joint Sportsound sessions with the BBC.

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

Sunday Mail and sportscotland Scottish Sports Awards

The Sunday Mail and sportscotland Scottish Sports Awards aim to celebrate the outstanding achievements of our sportsmen and sportswomen at all levels in sport.

540 attendees

100% of respondents agreed that the event *celebrated Scottish sport and highlighted the opportunities to progress and achieve in sport*

93% of respondents felt it *emphasised the wide range of sports and opportunities to progress and achieve*³²

sportscotland Coaching, Officiating and Volunteering Awards

We celebrated and recognised the fantastic work of the sporting workforce from across the country at the annual Coaching, Officiating and Volunteering Awards.

90 attendees

100% of respondents agreed that the event *celebrated Scottish sport and event helped them understand the sporting system and make connections*³³

Collaboration with The National Lottery

We worked closely with the National Lottery Promotions Unit in Scotland to create and promote stories around sport in Scotland. This year, we created a stand-alone digital promotion campaign: #ThanksToNationalLottery. Through this we encouraged partners as well as athletes, clubs and schools, to share their stories of what they have managed to achieve thanks to The National Lottery. We had a fantastic response with 69 projects from across the country sharing their experiences.

Sport First Digital Hub

We continued to build engagement with Sport First to tell the stories behind the world class sporting system to new, as well as existing, audiences. We publish content continuously and promote this via social media and digital marketing. This year we had 72 new subscribers to our distribution list, almost 22,000 new users and nearly 50,000 unique page views.

Scottish Women in Sport Week / Active Girls Day

We profiled 13 female role models, seven athletes and six grassroots participants, across our social media channels during the inaugural Scottish Women in Sport Week in October. The week culminated in Active Girls Day where we had strong engagement levels across all our digital platforms including 2,500 views of the Active Girls webpage and resources.

³² Number of respondents to both questions unknown as feedback survey was managed by Sunday Mail. Breakdown of respondents was not provided.

³³ 14 attendees responded to question



Media

450 media enquiries responded to 2017-18, compared to **328** in 2016-17

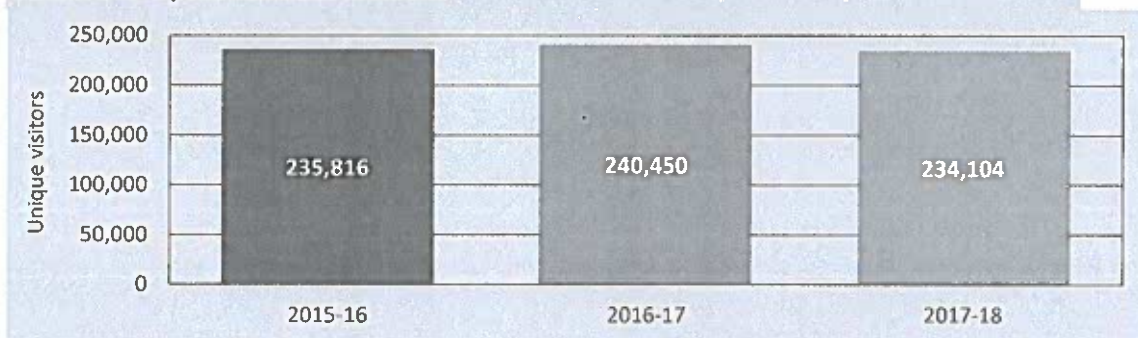
6,338 media hits with a reach of **354,680,000** and a total value of **£11,340,000** in 2016-17

4,451 media hits with a reach of **288,170,000** and a total value of **£10,610,000** in 2017-18

Social media

 Twitter			 Facebook		
2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
1,468	1,847	1,912	1,127	1,109	1,298
Tweets			Likes		
4,365,000	5,795,026	7,382,831	1,591,687	3,508,593	3,168,716
Impressions			Impressions		
7,123	10,324	15,221	-	25,164	31,142
Mentions			Engagements		
92,355	135,615	145,131	-	1,938,632	1,050,617
Visits to Twitter page			Users reached		

Visitors to sportscotland website



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

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

We have used our short-term evaluation tool, impacts and interventions, to help our networks reflect on their practice and adopt a continuous improvement approach. Learning from Active Schools interventions helped facilitate an equalities session with Active Schools managers at a network development day. We also supported internal staff to effectively integrate both qualitative data, such as impacts and interventions, and quantitative data, such as number of members and coaches, into their meetings with partners. This mixed approach allows for a richer and more accurate understanding of partners' work and contribution to the wider sporting sector. It also promotes evidence-based decision making.

SGB Customer Feedback Survey

We asked SGB CEOs, Chairs and other lead staff for feedback on the support provided by sportscotland partnership managers

88% of SGB respondents agreed or strongly agreed that partnership managers *encouraged and built working relationships between their SGB and sportscotland*

79% of SGB respondents agreed or strongly agreed that partnership managers *supported them through sharing intelligence, guidance and examples of best practice*

82% agreed or strongly agreed that partnership managers *communicate and co-ordinate resources available from sportscotland and other sources*

SGB Equalities Conference

We delivered our biennial equalities conference to over 100 delegates from across the sporting system. We positioned the conference to complement the ongoing equalities work that SGBs are doing through the Equality Standard for Sport. We did this by sharing the findings from the Equality and Sport research³⁴ and best practice examples from across the sector. Feedback from the event was very positive. We have used this to ensure our learning and development programme meets the needs of SGBs.

³⁴ Equality and sport research

In partnership with the Equality Network, we used the conference to launch a survey to review the impact the LGBT Sports Charter³⁵ has had for SGBs. We will review the survey responses to better understand where additional support may be required in future.

Regional networking events

We delivered seven regional networking events across Scotland. These events brought together Active School coordinators and managers, sports development officers, community sport hub officers, SGB regional managers and PE lead officers, as well as sportscotland staff, to develop a greater understanding of the sporting system and how they can work together better to enhance it.

We shared the refreshed Coaching Scotland and clubs and communities frameworks, the Sport for Change report and our standardised research approach. We also shared the findings from the Equality in Sport research to help the network understand the barriers to participation that exist.

Seven regional networking events with **728** attendees, up from **6** events and **640** attendees respectively in 2015-16

	2015-16	2017-18
Attendees reported that the event <i>helped them understand the sporting system</i>	69%	80%
Attendees reported that the event <i>helped them to improve their understanding of other roles in the sporting system</i>	68%	64%
Attendees reported that the event helped them to <i>identify new connections that they planned to follow up / had followed up</i>	54%	61%
Attendees reported that the event had <i>encouraged them to collaborate more in their role</i>	62%	71%

³⁵ <https://www.equality-network.org/sports-charter/>

Review of the Financial Results of the Year

The accounts relate to the year ended 31 March 2018 and are prepared in a form directed by the Scottish Ministers in accordance with section 35 of Part II of the National Lottery etc. Act 1993.

During the year to 31 March 2018, £28,721k (2016/17 £34,123k) was called down from the NLDF towards the payment of approved awards and the administration of the National Lottery Fund. Administration and programme costs including depreciation and corporation tax for the year totalled £9,616k (2016/17 £9,061k).

A summary of the Lottery Reserves position at the end of 2017/18 showing the commitments to be made over the next 4 year period from 2018/19 to 2021/22 is highlighted in the table below.

The **sportscotland** Lottery statutory accounts are prepared so as to provide details of hard commitments to partners annually. Thus the income and expenditure account reflects these commitments.

This does not take account of the ongoing commitment to our partners who work to a four year plan to deliver specific outcomes.

The analysis below provides a breakdown of the soft/ other commitments made at **sportscotland** over the four year period 2018/19 to 2021/22.

	£000s	£000s
Monies held in National Lottery Distribution Fund for sportscotland		51,323
<u>Less:- Commitments during the 4 year period 2018/19 to 2021/22</u>		
Partner Revenue Funding	(54,184)	
Capital Funding	(45,193)	
Effective Organisation	(17,221)	
Balance to be funded by future Lottery Revenues		<u>(65,275)</u>

Remuneration for non audit services

The accounts are audited by auditors appointed by the Auditor General for Scotland. For the year 2017/18 the appointed auditors were Audit Scotland.

During 2017/18, no non-audit fees were paid to Audit Scotland.

Intangible assets

During the year to 31 March 2018 there was £20k (2016/17 £155k) spent on acquiring intangible assets for **sportscotland** Lottery Fund activities.

Retained Reserves

Accumulated funds totalling £34,885k (2016/17 £38,348k) were held on the Statement of Financial Position at the end of the year.

Payment of Creditors

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

During the year ended 31 March 2018 the Lottery Fund paid 91% (2016/17 90%) of all invoices received within the terms of its payment policy.

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

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

Sustainability

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

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



Stewart Harris
Chief Executive & Accountable Officer
29 August 2018

THE ACCOUNTABILITY REPORT

Corporate Governance Report

Directors Report

Members of the Council

The Members of the **sportscotland** Council at 31 March 2018, all of whom have been Members throughout the year, with the exception of those indicated otherwise, are listed below:

M Young (Chair)
D Cameron
G Walker
F Wood
C Riddell
Prof L Robinson
Prof C Mahoney
C Grant
H Ousta
S Sandilands
D Skinner
K U'ren

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

The Chief Executive is Stewart Harris.

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

Personal data related incidents

There were no personal data related incidents in the year.

Statement of Accountable Officer's Responsibilities

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

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

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

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

Statement that accounts are fair, balanced and understandable

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

Statement as to disclosure of information to auditors

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

The Governance Statement

As Accountable Officer, I have responsibility for maintaining a sound system of internal control which supports the delivery of **sportscotland's** policies, aims and objectives, as set out by the Scottish Government Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me. Accordingly, I can confirm that adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and minimizing losses of funds were in place throughout 2017/18.

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 2017/18 and have been reviewed during the year with a view to ensuring their effectiveness and improving their robustness.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and of the executive managers within **sportscotland** who have responsibility for the development and maintenance of the internal control framework. I receive a certificate of assurance from each executive director as part of this process. I am also informed by comments made by the external auditors, Audit Scotland in its Annual Report for 2016/17, and in its Annual Report for the current year, to those charged with Governance.

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 Council

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

All 12 non-executive members who held office during the year are considered by **sportscotland** to be independent in character and judgement, having no material relationship with the group. Council members are appointed by the Scottish Minister following a recruitment process managed by the Scottish Government with appointments

normally being for an initial period of four years. Re-appointment for a further term (usually four years) is at the discretion of the Scottish Minister based on advice of the Chair of **sportscotland**.

The attendance of the 12 non-executive members who held office during the year of the six meetings of 2017/18 was:

M Young	(6 of 6)	(Chair)
D Cameron	(5 of 6)	
G Walker	(5 of 6)	
F Wood	(6 of 6)	
C Riddell	(6 of 6)	
Prof L Robinson	(5 of 6)	
Prof C Mahoney	(3 of 6)	
C Grant	(5 of 6)	
H Ousta	(5 of 6)	
S Sandilands	(6 of 6)	
D Skinner	(4 of 6)	
K U'ren	(6 of 6)	

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

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

Council Member Committees

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

Audit and Risk Committee

Membership of the Audit and Risk Committee consists of five non executive Council members. The membership during the 2017/18 financial year is detailed below with their attendance record for the three meetings which took place during the financial year.

The Audit and Risk Committee receives periodic reports from the Internal Auditors concerning internal control and these are reported to the Council. **sportscotland** utilises a professional firm of accountants, BDO LLP, as its internal auditors, who operate to

standards defined in the *Government Internal Audit Public Sector Standards*. BDO LLP submits regular reports, which include an independent opinion on the adequacy and effectiveness of **sportscotland's** systems of internal control, together with recommendations for improvement.

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

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

D Cameron	(3 of 3) (Chair)
G Walker	(3 of 3)
Prof C Mahoney	(1 of 3)
Prof L Robinson	(1 of 3)
C Riddell	(2 of 3)

Group Remuneration and Succession Planning Committee

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

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

The Committee met three times during 2017/18. The Chair's remuneration is decided by the Scottish Government and thus he has no influence over his own pay award. Membership of the Remuneration and Succession Planning Committee during 2017/18 comprised:

G Walker	(3 of 3) (Chair)
C Grant	(3 of 3)
H Ousta	(3 of 3)
K U'ren	(2 of 3)

Group Ethics Committee

The Group Ethics Committee currently consists of three non executive Council members and is chaired by the **sportscotland** Chair, Mel Young. The membership during the 2017/18 financial year is detailed below.

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

The Committee will meet according to need and as such it does not have a regular timetable. No meetings were held during 2017/18.

M Young (Chair)
F Wood
C Riddell

Financial Resources Committee

Over the past three years the Scottish Government's Grant-in-Aid to **sportscotland** has been reduced. **sportscotland**'s other main source of funding, the National Lottery, has also seen a recent reduction in income. With a continuing commitment to help build a world class sporting system for everyone in Scotland, these reductions in funding have created significant challenges to this long-term ambition. In response the **sportscotland** Board has established a Financial Resources Committee to explore sources of finance to invest in Scottish sport alternative to those provided by the Scottish Government and the National Lottery. The Committee is made up of 4 independent non-executive Board members, and 3 independent Trust Company board members, supported by senior members of the management team.

The Committee met for the first time in May 2017 and met three times during the year. Membership of the Financial Resources Committee during 2017/18 comprised:

D Skinner	(3 of 3) (Chair)
C Grant	(2 of 3)
S Sandilands	(2 of 3)
G Walker	(3 of 3)
J Kerr	(3 of 3) (Trust Company)
K Morrison	(0 of 3) (Trust Company)
P Woodman	(1 of 3) (Trust Company)

Information Security

During 2017/18, **sportscotland** continued to provide assurance that it was fully compliant with the Scottish Government Security Policy Framework, which seeks to ensure that appropriate systems are in place to manage risks associated with information security.

Following the global cyber-attack on 12 May 2017, the Scottish Government issued a draft public sector action plan on cyber resilience to all Scottish public bodies. This guidance seeks to gain assurance that all Scottish public bodies meet baseline standards in cyber resilience and aims to achieve this outcome through taking a number of key actions.

The Scottish Government ran a Resilience Week campaign in early November 2017. During this week it announced the publication of its updated Public Sector Action Plan on Cyber Resilience which was developed by the Scottish Government and the National Cyber Resilience Leaders' Board.

sportscotland will continue to use the guidance set out in The 10 Steps to Cyber Security produced by the UK's National Cyber Security Centre (NCSC) until the Scottish Government framework becomes available.

Within **sportscotland**, management of cyber resilience is the responsibility of the SMT, with reporting to the Audit and Risk Committee, who would then provide the required assurance to the Board. The Director of Corporate Services is the nominated Senior Information Risk Owner (SIRO); however as cyber security is as much about behaviours as it is about security of ICT systems, critically it is an organisation wide leadership issue to ensure that there is compliance and sanctions applied for any breaches of policies and protocols.

The organisation is can now use the Cyber Essentials Plus logo on **sportscotland** websites and email signatures, giving assurance to members of the public and partners that the organisation meets the required cyber resilience standards.

To maintain Cyber Essentials Plus accreditation, **sportscotland** will have to submit to an annual security audit carried out by an external assessor.

In addition, Business Continuity and Data Disaster Recovery arrangements are in place. No significant lapses of data security were found during 2017/18.

Internal Control

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

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

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

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

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

Throughout 2017/18, **sportscotland's** Freedom of Information systems were fully operational and all requests received were completed within satisfactory timescales

System and process improvements

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

- the ongoing development of processes and new standard reports for the finance system, giving portal access to budget holders;
- the ongoing implementation of a new HR and payroll system, including the implementation of electronic submission and approval of expenses;
- the ongoing implementation of a new Booking system for the Trust Company Centres and the development of a reporting suite for management;
- review of IT processes to ensure compliance with Scottish Government cyber resilience requirements; and
- preparation for implementation of GDPR, which will have a significant impact on a number of system and manual processes and which is noted in more detail below.

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

GDPR

sportscotland has implemented the provisions of the GDPR which came into effect in May 2018. Compliance with the GDPR is an organisation-wide responsibility.

The GDPR imposes many new obligations on organisations in respect of data protection – these obligations are primarily aimed at putting individuals back in control of their data.

sportscotland set up a project team led by its legal manager, a year ahead of the implementation date. The team has carried out a comprehensive planning process, starting with a data mapping process to identify key data processing areas and to confirm those areas where **sportscotland** processes sensitive personal data.

sportscotland processes and stores personal data, including sensitive information relating to athletes, staff and contractors, in a number of systems, such as iTrent and Smartabase. **sportscotland**'s legal team has developed an Action Plan which outlines the steps required to bring the organisation's processes and procedures in line with GDPR requirements. This was developed in line with the ICO's guidance document, 'Preparing for the General Data Protection Regulation – 12 steps to take now'.

The legal team conducted a data mapping exercise, which consisted of questionnaires being sent to staff to determine the nature and location of the data held across the organisation. Following completion of the questionnaires, the legal team held interviews with staff to improve their understanding and determine the actions required to ensure that GDPR compliance is attained. The legal team then compiled a High Risk Area Report containing recommendations, such as updating procedures, creating policies and conducting Data Privacy Impact Assessments, which required to be implemented to ensure GDPR compliance. The High Risk Area Report was disseminated to the relevant departments in February 2018.

The Legal Manager and Legal Officer, with assistance from other staff from the organisation, have been responsible for overseeing the preparations for GDPR compliance.

GDPR briefings were provided to the **sportscotland** Board in November 2017 and the Trust Board in October 2017 to raise awareness of the requirements of GDPR and provide an update on the actions being taken by management to comply with these. The Learning and Development team plans to create bespoke training e-modules to be completed by staff across the organisation from March 2018. External training, briefing notes and templates have also been provided by Harper Macleod to the Sports Governing Bodies (SGBs).

A GDPR working group meets on a monthly basis to discuss **sportscotland's** progress towards GDPR compliance, with review of the Action Plan and discussions of key issues being standing agenda items at each meeting. The group consists of staff from Legal, HR, Finance and IT departments, in addition to staff from the Institutes and the Director of Corporate Services.

Improving the sportscotland estate

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

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

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

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

Social, Community issues and human rights

sportscotland places a high priority on ensuring that it discharges its obligations as a good corporate citizen and takes in to account its responsibilities towards serving and meeting the needs of our partners including safeguarding their human rights.

Operational policies and procedures reflect this commitment, including our approach to managing individual grant requests.

Risk Management

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

During 2017-18 our risk management framework and process maintained internal controls through seven risk registers aligned to the portfolios in our 2017-19 business plan. Portfolio groups reviewed these quarterly and relevant risks were escalated to the corporate risk register. The portfolio and corporate risk registers are held in Pentana, our corporate performance management system.

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

Remuneration and Staff Report

Remuneration policy

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

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

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

Salaries and Allowances

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

Name		Salary	Benefits	All pension related benefits	Total
		£000's	£000's	£000's	£000's
DIRECTORS					
S G Harris	2018	100-105	-	(35)-(37.5)	62.5-65
	2017	100-105	-	(15)-(17.5)	82.5-85
S Ogg	2018	85-90	-	(5)-(7.5)	80-82.5
	2017	80-85	-	(2.5)-(5)	80-82.5
M Roberts	2018	85-90	-	(2.5)-(5)	80-82.5
	2017	80-85	2.6	(0)-(2.5)	82.5-85
M Whittingham*	2018	85-90	-	*	*
	2017	85-90	-	*	*
BOARD MEMBERS					
L Martin	2018	-	-	-	-
	2017	0-5	-	-	0-5
M Young	2018	15-20	-	-	15-20
	2017	15-20	-	-	15-20
D Cameron	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
G Walker	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
F Wood	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
C Riddell	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
Prof L Robinson	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
C Grant	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
H Ousta	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
S Sandilands	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5
K U'ren	2018	0-5	-	-	0-5
	2017	0-5	-	-	0-5

Directors' Pension Entitlements

Name	Real Increase in pension during the year	Real Increase in lump sum during the year	Total Accrued Pension	Total Accrued Lump sum	Cash equivalent transfer value 2018	Cash equivalent transfer value 2017	Real Increase in Cash Equivalent Transfer Value
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
S G Harris	-	-	41	112	942	934	8
S Ogg	-	-	10	5	185	173	12
M Roberts	-	-	12	9	150	140	10

Note: S G Harris was previously enrolled in the Scottish Teachers Superannuation Scheme, and the pension benefits table therefore reflects these transfer values. M Whittingham is not in a final salary scheme and company contributions of £17k (2016/17, £17k) were made to a defined contribution scheme.

Fair Pay Disclosure

The median remuneration for **sportscotland's** staff is £33,106 (2016/17 - £32,779).

The ratio between the median staff remuneration and the mid-point of the banded remuneration of the highest paid director is 3.10 (2016/17 3.13), as at the reporting period end date.

Pay for **sportscotland** employees, excluding the highest paid Director, ranges between £17,053 and £87,242.

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

The split for the **sportscotland** Lottery Fund during 2017/18 was 45% (2016/17 50%) with the balance, 55% (2016/17 50%), being funded from Scottish Government resources.

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

Remuneration is paid to council members at the rate of £165 for each meeting attended, along with an £80 payment for preparation for a board meeting. Attendance at Committee meetings are paid at the same rate.

sportscotland operates a car leasing scheme for essential users. Payments made during 2017/18 were £399k (2016/17 £389k).

sportscotland made payments of £10k to consultants during 2017-18 (2016-17 £4k).

Staff report

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

	Men	Women
Boards	8	12
Directors	4	0
Senior Managers	12	6
Employees	174	147

Total staff costs comprise

	2018 £000	2017 £000
Total staff costs comprise:		
Wages and salaries	4,061	3,805
Social security costs	397	403
Other pension costs	699	717
Aggregate staff costs	<u>5,157</u>	<u>4,925</u>

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

Sickness absence rate

Sickness absence rate during the year was 1.38% (2016-17 3.76%%)

Equal Opportunity in Employment and Disabled Employees

sportscotland actively promotes policies for equal opportunities and to ensure non-discrimination on the grounds of disability.

Employee Involvement

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

Staff policies applied during the year

sportscotland is committed to promoting equality and diversity in employment. **sportscotland** recognises the unique contribution each employee can make and aims to promote a climate of respect for all, requiring all employees to treat each other with fairness, dignity and respect.

sportscotland is opposed to any form of discrimination against job applicants or employees on the grounds of gender or gender reassignment, disability, age, ethnic or national origin, marital status, religion or belief, sexual orientation, trade union activity, responsibility for dependents or other relevant factors.

In the case of disabled applicants who identify themselves at the application stage, appropriate interview arrangements (such as accessible interview rooms or the assistance of a sign language interpreter) will be offered to enable such candidates to compete on an equal basis.

sportscotland's Equality, Diversity and Human Rights in Employment Policy supports **sportscotland's** wider equality agenda through encouraging the development of a more diverse workforce, where employees understand and promote equality, and where equality is mainstreamed into every aspect of our work.

sportscotland is committed to ensuring that all employment policies and practices are non-discriminatory in line with relevant employment legislation and best practice.

All employees will be supported to achieve their full potential and all employees that self identify as having additional support needs will have an annual review to assess and review support measures.

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 2017-18 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 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 and in Annex C the Grant in Aid letter issued in April 2017.

Ministerial priorities sport and physical activity for 2017-18, as set out in the Grant in Aid letter, include:

- Impact against the 6 outcomes contained within the Active Scotland Outcome Framework;
- Steps planned or in place to:
 - support being provided to disadvantaged groups and communities;
 - expand the reach to the inactive and underrepresented in sport, including teenage girls and older people through more innovative and creative community based approaches; and
 - empower communities to address inequality;
- An update on delivery of the specific manifesto commitments:
 - 200 Community Sports Hubs by 2020;
 - participation, engagement, and promotion of women in sport;
 - support the delivery of two hours of quality PE;
 - supporting the "Daily Mile" beyond the school setting;
 - promoting the benefits of sport and physical activity on mental health; and
 - helping to make sure major sporting events are successful
- Update on the allocation of the additional £2m funding for SGBs and progress of delivery.

National Lottery funding for 2017-18 is administered in accordance the following directions received from Scottish Government, in compliance with the National Lottery etc. Act 1993, as amended by the National Lottery Act 1998.

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

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

knowledge of, and interest in, sport by children, young people and adults, and the need to continue increasing participation and performance in Scottish sport and physical recreation.

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

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

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

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

Fees and charges

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

	Inverclyde	Cumbrae	Glenmore Lodge	2018
	£000	£000	£000	£000
Course Fees	588	543	1,080	2,211
Hires, Sales & Hospitality	459	61	657	1,177

Course fees represent income from a wide selection of courses, ranging from beginners courses in sailing and mountain skills to key "train the trainer" courses for industry expert qualifications. As a result, the course range and frequency is driven by a number of considerations, including commercial demand and the requirement to ensure that certain key industry qualifications are always available. Glenmore Lodge and Cumbrae were the main income generators of course fees in 2017/18 providing a wide range of courses utilising the locations, natural features and seasonal weather conditions around where they are based.

Hire, sales and hospitality income principally refers to hire of sporting facilities at Inverclyde and income from food, drink and accommodation at Glenmore Lodge and Cumbrae.

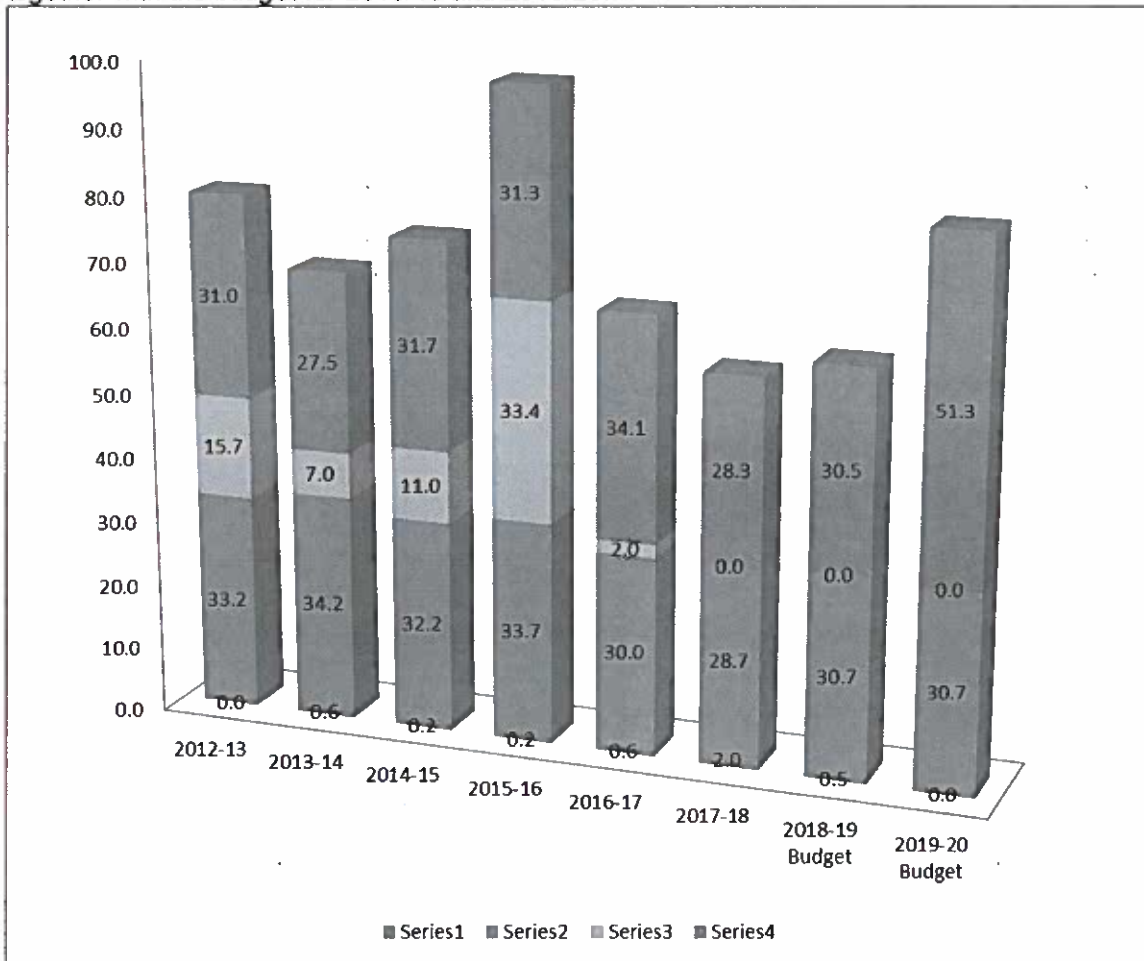
Contingent Liabilities

No contingent liabilities were recorded as at 31 March 2018.

Long-term expenditure trends

sportscotland's expenditure is driven by the funding provided by the Scottish Government (SG) through grant-in-aid and by the National Lottery distribution fund (NLDF).

We set out below the funding received from these two entities over the last 6 years, together with the budget for 2018/19 and 2019/20:



Note: SG Funding for 2018-19 is based on a current Grant in Aid letter. SG Funding for 2019-20 will not be known until later in 2018 and so the value for 2018-19 has been used as an indicative amount. NLDF Funding for 2018-19 and 2019-20 is based on forecast revenue and capital expenditure in those years.

Stewart Harris
 Chief Executive & Accountable Officer
 29 August 2018

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

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

Report on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Scottish Sports Council Lottery Fund for the year ended 31 March 2018 under the National Lottery etc. Act 1993. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cashflows, the Reconciliation of Movement of Funds and notes to the accounts, including the accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2017/18 Government Financial Reporting Manual (the 2017/18 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2018 and of its decrease in fund for the year
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2017/18 FReM; and
- have been prepared in accordance with the requirements of the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)). 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 am independent of the body 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

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

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 body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

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

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

Other information in the annual report and accounts

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

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual report and accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements

were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

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

Report on other requirements

Opinions on matters prescribed by the Auditor General for Scotland

In my opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers.

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

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Lottery etc. Act 1993 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 the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.



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

4 September 2018

sportscotland

Lottery Fund

Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

	Notes	2018 £000	2017 £000
Income			
National Lottery Fund proceeds		26,565	26,491
Interest receivable		8	7
Grants returned	2	112	449
Other operating income	2	53	162
		<u>26,738</u>	<u>27,109</u>
Expenditure			
Grants paid and committed during the year	3	8,924	9,913
Grant commitments	3	12,200	15,131
Grants de-committed	3	(539)	(4,001)
Staff costs	4	5,157	4,925
Depreciation	5	90	75
Other operating charges	5	4,367	4,060
		<u>30,199</u>	<u>30,103</u>
Operating surplus / (deficit) before tax		(3,461)	(2,994)
Corporation tax	6	2	1
(Decrease) / Increase in fund		<u>(3,463)</u>	<u>(2,995)</u>

All the results of the Fund relate to continuing activities.
No other gains or losses were incurred in the year.

The notes to the accounts form part of these financial statements

sportscotland Lottery Fund


Statement of Financial Position at 31 March 2018

	Notes	2018 £000	2017 £000
Non - current assets			
Property, plant, and equipment	7	43	58
Intangible assets	8	156	211
Total non-current assets		<u>199</u>	<u>269</u>
Current assets			
Investments – balance held in NLDF	9	51,323	53,479
Cash and cash equivalents	12	2,740	7,020
Trade and other receivables	10	39	320
Total current assets		<u>54,102</u>	<u>60,819</u>
Total assets		<u>54,301</u>	<u>61,088</u>
Current Liabilities			
Grants due within one year	11	15,991	18,165
Trade and other payables	11	3,425	4,575
Total current liabilities		<u>19,416</u>	<u>22,740</u>
Net current assets		<u>34,686</u>	<u>38,079</u>
Non-current assets plus net current assets		<u>34,885</u>	<u>38,348</u>
Taxpayers Equity			
General fund	14	34,885	38,348
		<u>34,885</u>	<u>38,348</u>

The Accountable Officer authorised these financial statements for issue on 29 August 2018



Stewart Harris
Chief Executive & Accountable
Officer



Mel Young
Chair

The notes to the accounts form part of these financial statements

sportscotland Lottery Fund

Statement of Cash Flows for the year ended 31 March 2018

	Notes	2018 £000	2017 £000
Cash flows from operating activities			
Deficit on ordinary activities before tax		(3,461)	(2,994)
<i>Adjustment for non-cash items</i>			
Depreciation on tangible and non-tangible fixed assets	7,8	90	75
<i>Movements in working capital</i>			
Decrease/(Increase) in investments	9	2,156	7,632
Decrease/(Increase) in trade and other receivables	10	281	(273)
Increase/(Decrease) in trade payables	11	(1,150)	2,153
<i>Movements in provisions</i>			
Increase/(Decrease) in provisions for hard commitments	3	(2,174)	(3,359)
Taxation Paid	<u>6</u>	(2)	(1)
Net cash (outflow) / inflow from operating activities		(4,260)	3,233
Cash flows from investing activities			
Purchase of tangible assets	7	(0)	(58)
Purchase of intangible assets	8	(20)	(155)
Net cash outflow from investing activities		(4,280)	3,020
Net (decrease) / increase in cash and cash equivalents		(4,280)	3,020
Cash and cash equivalents as at 1 April 2017		7,020	4,000
Cash and cash equivalents as at 31 March 2018	12	2,740	7,020

The notes to the accounts form part of these financial statements

sportscotland Lottery Fund

Reconciliation of movement of funds for the year ended 31 March 2018

	Balances held in NLDF £000	Balances at SLF £000	2018 Total £000	2017 Total £000
Opening balances	53,479	(15,131)	38,348	41,343
National Lottery Fund proceeds	26,565	-	26,565	26,491
Drawn down in year by SLF	(28,721)	28,721	-	-
Interest on cash balances	-	8	8	7
Other operating income	-	164	164	611
Grants paid	-	(8,924)	(8,924)	(9,913)
Net grant commitment	-	(11,660)	(11,660)	(11,130)
Expenditure	-	(9,616)	(9,616)	(9,061)
	<u>51,323</u>	<u>(16,438)</u>	<u>34,885</u>	<u>38,348</u>

The notes to the accounts form part of these financial statements

sportscotland Lottery Fund

Notes to the accounts for the year ended 31 March 2018

1 Accounting policies

1.1 Basis of accounting

These financial statements are prepared under the historical cost convention as modified by the revaluation of fixed assets. These accounts have been prepared in accordance with the accounts direction issued by Scottish Ministers and with the consent of the Secretary of State for Culture, Media and Sport in accordance with Section 35(3) of the National Lottery etc. Act 1993.

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

As required by Scottish Ministers, the sportscotland Lottery Fund is not required to include a note showing historical cost profits and losses.

Comparative figures shown are for the year to 31 March 2017.

Going Concern

Due to the healthy bank balance and strong net asset position as well as the continued funding expected, the board have prepared the financial statements on the going concern basis which provides that the organisation will continue in operational existence for the foreseeable future.

1.2 Accruals convention

All income and expenditure is taken into account in the financial year to which it relates.

As required by the Scottish Ministers, a distinction is made in respect of the sportscotland Lottery Fund awards between hard and soft commitments.

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.

Hard commitments

A hard commitment is analogous to a commitment arising from a legally binding contract, carrying with it an obligation on the distributor to pay the agreed Lottery grant provided only that all the conditions of the grant are met, and that the National Lottery continues to operate. For the purposes of recording a charge in the Statement of Comprehensive Net Expenditure, a hard commitment arises when a firm offer of a grant from the National Lottery proceeds has been made by sportscotland and accepted in writing by the recipient. A firm offer will only be made if there is a reasonable expectation that conditions attached to the offer will be met. A provision for hard grant commitments is shown on the Statement of Financial Position and is written down as the commitment matures.

Soft Commitments

These will occur when there is agreement in principle by sportscotland to fund a scheme. Once a formal offer and acceptance of the terms and conditions of the grant have been concluded this will become a hard commitment. The total soft commitments are shown in a note to the Statement of Financial Position. Changes

in soft to hard commitments which arise after the accounting year end and before the publication of the Accounts will not be adjusting events in terms of IAS 10 (Events after the Reporting Period).

De-commitments

Should a hard commitment fail to become a cash payment within the expected timeframe, and there is little possibility of it crystallising, sportscotland may withdraw the offer formally in writing. A reverse entry to the commitment is then made in the Statement of Comprehensive Net Expenditure.

1.3 Property, plant, and equipment and depreciation

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

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

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

Fixtures and fittings	5 years
General equipment	4 years
Computing equipment	4 years
Motor vehicles	4 years

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

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

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

1.4 Intangible Assets

Intangible assets are valued at cost less straight line amortisation, normally these assets are expected to have a useful life of 4 years and are amortised on that basis.

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'.

1.5 National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to the sportscotland Lottery Fund is as shown in the accounts and, at the Statement of Financial Position date, has been certified on an interim basis by the Secretary of State for Culture, Media & Sport as being available for distribution by the body in respect of current and future commitments. This balance is shown as an investment on the Statement of Financial Position and is stated at market value. The balance in the accounts is based on an Interim Statement of balance produced by the Department of Culture, Media and Sport (DCMS) which is subject to completion of the Statement of Assurance of Payments due to the National Lottery Distribution Fund for 2017/18 by the National Lottery

Commission and the completion of the audit of the National Lottery Distribution Fund accounts for 2017/18 by the National Audit Office with an adjustment for the final balance being reflected in subsequent financial statements.

The annual proceeds available from the National Lottery Distribution Fund have been treated as income within these financial statements.

1.6 Taxation

Taxation has been provided for by the **sportscotland** Lottery Fund. The Fund is liable to corporation tax on the bank interest received. The small companies' rate of corporation tax applies to this taxable income.

1.7 Post retirement benefits

All members of staff are contractually employed by **sportscotland** and not **sportscotland** Lottery Fund. A proportion of staff costs are recharged by **sportscotland** to **sportscotland** Lottery Fund on the basis of time spend by the employee on activities of **sportscotland** Lottery Fund.

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).

As **sportscotland** is the employer of staff, the pension scheme is accounted for as a defined benefit scheme in the financial statements of **sportscotland**. Within **sportscotland** Lottery Fund, the pension scheme is accounted for as a defined contribution scheme and the recharged share of the pension contributions is expensed to the Statement of Comprehensive Net Expenditure in the year.

Scottish Teachers Superannuation Scheme (STSS).

sportscotland participates in the STSS pension scheme providing benefits based on final pensionable pay. 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.

Strathclyde Pension Fund (SPF).

The SPF is a pension scheme providing benefits based on final pensionable pay. 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.

1.8 Leases

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

1.9 Provisions

A provision (a liability that is of uncertain timing or amount) is recognised in the **sportscotland** Lottery accounts only when it actually exists at the Statement of Financial Position date. A provision is recognised when the **sportscotland** lottery fund has a present obligation (legal or constructive) as a result of a past event, it is

probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.10 Lottery salary recharges

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

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

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

The implications of IRFS 16 " The new leases standard " are being reviewed to prepare for implementation in the following year.

2 Income

2.1 Proceeds from the National Lottery

The proceeds from the National Lottery represent the share of net operator proceeds and investment returns allocated to the **sportscotland** Lottery Fund during the year.

2.2 Other operating income comprises:

	2018 £000	2017 £000
Grants Returned	112	449
Miscellaneous income	53	162
	<hr/> 165	<hr/> 611

3 Grants paid and net grant commitment

	2018	2017
	£000	£000
3.1 Annual grants paid and committed during the year		
Capital and Revenue	<u>5,668</u>	<u>9,913</u>
	2018	2017
	£000	£000
3.2 Grants paid during year		
Paid and committed during year	5,668	9,913
Committed in previous years	<u>17,091</u>	<u>14,490</u>
	<u>22,759</u>	<u>24,403</u>
	2018	2017
	£000	£000
3.3 Net grant commitments		
Hard commitments made during year	21,124	25,044
Less: amounts paid and committed during year	(5,668)	(9,913)
Less: amounts de-committed during year	<u>(539)</u>	<u>(4,001)</u>
Net grant commitment at 31 March	<u>14,917</u>	<u>11,130</u>
	2018	2017
	£000	£000
3.4 Net grant commitments split		
Capital programmes	1,412	674
Revenue	<u>13,505</u>	<u>10,456</u>
	<u>14,917</u>	<u>11,130</u>
3.5 Grants paid during the year by programme	2018	2017
	£000	£000
3.5.1 Capital Facilities		
Sports Facilities Programme	<u>7,113</u>	<u>7,928</u>
	<u>7,113</u>	<u>7,928</u>

	2018 £000	2017 £000
3.5.2 Revenue Funding		
Athlete Support	10,216	11,211
Scottish Athlete Awards & Support	283	252
Volunteers	218	223
Awards for All / Celebrate	467	463
Club Support	590	750
Coach Support	1,853	1,669
Sports Partnerships	2,019	1,907
	<u>15,646</u>	<u>16,475</u>
Total grants paid during the year	<u>22,759</u>	<u>24,403</u>

4 Employees

	2018 £000	2017 £000
4.1 Total staff costs comprise:		
Wages and salaries	4,061	3,805
Social security costs	397	403
Other pension costs	699	717
Aggregate staff costs	<u>5,157</u>	<u>4,925</u>

All employment contracts are within sportscotland and the relevant amounts are recharged to sportscotland Lottery.

	2018 No.	2017 No.
4.2 The average staff numbers, including part-time and full-time employees, are as follows:	<u>110</u>	<u>102</u>

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

5 Other operating charges

The operating result is after charging:

		2018 £000	2017 £000
Administration expenses		3,993	3,690
Travel and subsistence		95	111
Auditors' remuneration	External	20	20
	Internal	18	22
Operating rentals		241	217
Depreciation		90	75
		<u>4,457</u>	<u>4,135</u>

6 Corporation tax

	2018 £000	2017 £000
Corporation tax	2	1

Corporation tax is due on the bank interest received in the year based on the standard rate of corporation tax of 20%.

7 Property, Plant & Equipment

2018	Total £000	Fixtures and Fittings £000	Equipment £000
Cost at 1 April 2017	92	1	91
Additions during year	-	-	-
Cost at 31 March 2018	<u>92</u>	<u>1</u>	<u>91</u>
Aggregate depreciation at 1 April 2017	34	1	33
Charge for the year	15	-	15
Aggregate depreciation at 31 March 2018	<u>49</u>	<u>1</u>	<u>48</u>
Net Book Value at 31 March 2018	<u>43</u>	<u>-</u>	<u>43</u>
Net Book Value at 31 March 2017	<u>58</u>	<u>-</u>	<u>58</u>

2017	Total £000	Fixtures and Fittings £000	Equipment £000
Cost at 1 April 2016	34	1	33
Additions during year	58	-	58
Cost at 31 March 2017	<u>92</u>	<u>1</u>	<u>91</u>
Aggregate depreciation at 1 April 2016	29	1	28
Charge for the year	5	-	5
Aggregate depreciation at 31 March 2017	<u>34</u>	<u>1</u>	<u>33</u>
Net Book Value at 31 March 2017	<u>58</u>	<u>-</u>	<u>58</u>
Net Book Value at 31 March 2016	<u>5</u>	<u>-</u>	<u>5</u>

8 Intangible assets

Computer software licences	2018 £000	2017 £000
Cost		
Opening balance 1 April 2017	341	186
Additions during year	<u>20</u>	<u>155</u>
Closing balance 31 March 2018	<u>361</u>	<u>341</u>
Accumulated amortisation		
Opening balance 1 April 2017	130	59
Charge for the year	<u>75</u>	<u>71</u>
Closing balance 31 March 2018	<u>205</u>	<u>130</u>
Net book value at 31 March 2018	<u>156</u>	<u>211</u>
Net book value at 31 March 2017	<u>211</u>	<u>127</u>

9 Investments

	2018 £000	2017 £000
National Lottery Distribution Fund	<u>51,323</u>	<u>53,479</u>

The balance shown at 31 March 2018 is the interim valuation from NLDF, the final audited balance for the value of investments as at 31 March 2017 was £53,479.

10 Trade and other receivables

	2018 £000	2017 £000
Trade debtors	37	171
Intercompany - sportscotland	-	145
Other Debtors	2	4
	<u>39</u>	<u>320</u>

Breakdown of Debtors by Category

	2018 £000	2017 £000
Other Central Government Bodies	3	10
Local Authorities	28	17
NHS Bodies	-	-
Public Corporations and Trading Funds	-	-
Other External Bodies	8	293
Total	<u>39</u>	<u>320</u>

11 Trade and other payables

	2018 £000	2017 £000
Trade creditors	2,048	3,852
Corporation tax	2	1
Other Payables	2	-
Intercompany - sportscotland	237	-
Accruals and deferred income	1,136	722
	<u>3,425</u>	<u>4,575</u>

Breakdown of Creditors by Category

	2018 £000	2017 £000
Other Central Government Bodies	909	399
Local Authorities	1,394	1,359
NHS Bodies	-	-
Public Corporations and Trading Funds	-	-
Other External Bodies	1,122	2,817
Total	<u>3,425</u>	<u>4,575</u>

12 Cash and cash equivalents

	2018 £000	2017 £000
Cash and bank balance at 1 April	7,020	4,000
Net cash (outflow)/inflow	<u>(4,280)</u>	<u>3,020</u>
Cash and bank balance at 31 March	<u>2,740</u>	<u>7,020</u>

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.

13 Grant Commitments

	2018 £000	2018 £000	2017 £000
Capital			
Balance as at 1 April		5,824	5,149
Amounts committed during the year		3,913	8,978
Total hard commitments		<u>9,737</u>	<u>14,127</u>
Amounts paid during the year	(4,903)		
Amounts paid and committed during the year	(2,209)		
Amounts de-committed during the year	(274)	(7,386)	(8,303)
Hard capital commitments at 31 March		<u>2,351</u>	<u>5,824</u>
	2018 £000	2018 £000	2017 £000
Revenue			
Balance as at 1 April		12,341	16,376
Amounts committed during the year		17,211	16,064
Total hard commitments		<u>29,552</u>	<u>32,440</u>
Amounts paid during the year	(12,205)		
Amounts paid and committed during the year	(3,441)		
Amounts de-committed during the year	(265)	(15,911)	(20,099)
Hard revenue commitments at 31 March		<u>13,641</u>	<u>12,341</u>
Total hard commitments at 31 March		<u>15,991</u>	<u>18,165</u>

At 31 March 2018 a total of £15,991k (2016/17 £18,165k) is payable within one year and disclosed in Note 11. No other amounts are committed.

14 General Fund

	2018 £000	2017 £000
Represented by:		
Balance as at 1 April	38,348	41,343
Change in fund for the year	(3,463)	(2,995)
Balance as at 31 March	34,885	38,348

15 Soft capital grant commitments

	2018 £000	2018 £000	2017 £000
Balance as at 1 April		2,782	2,378
Amounts committed during the year		500	2,782
Total soft commitments		3,282	5,160
Amounts transferred to hard commitments	(714)		
Amount de-committed during the year	(568)		
		(1,282)	(2,378)
Soft commitments at 31 March		2,000	2,782

16 Related party transactions

The **sportscotland** Lottery Fund is administered by **sportscotland** and thus **sportscotland** is regarded as a related party of the **sportscotland** Lottery Fund.

All transactions with related parties are conducted at arms length.

During the year **sportscotland** recharged salaries of £5,157k (2017: £4,925k). Within debtors there is an amount of £0k due from **sportscotland** (2017: £145k). Within creditors there is an amount of £237k due to **sportscotland** (2017: £0k).

The Scottish Sports Council Trust Company is a related party of the **sportscotland** Lottery Fund as it is controlled by **sportscotland**. There were no transactions in the year between the Scottish Sports Council Trust Company and **sportscotland** Lottery Fund.

During the year both the Accountable Officer and Chair of the **sportscotland** Lottery Fund Committee received remuneration from **sportscotland**.

The **sportscotland** Lottery Fund paid grants to the following bodies which are related parties:

	<u>2018</u>	<u>2017</u>
Awards for All (Big Lottery Fund)	£466,391	£462,984

There were no significant related party transactions with associated organisations during the year to 31 March 2018. Details of awards made to governing bodies and amounts paid to individual sports are contained in the Annual Report.

17 Losses

The sportscotland Lottery Fund had losses totalling £27k (2017: £0k) during the year.

18 Contingent Liabilities

As at the date of signing, sportscotland Lottery Fund had no contingent liabilities. There were no contingent liabilities in the previous year.

SPORTSCOTLAND

ACCOUNTS DIRECTION BY THE SCOTTISH MINISTERS

The Scottish Ministers, in pursuance of section 35(3) of the National Lottery etc Act

1993, hereby give the following direction.

1. sportscotland shall prepare accounts for the financial year ended 31 March 2015 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for the financial year for which the accounts are being prepared as well as any other guidance which Treasury may issue from time to time in respect of accounts which are required to give a true and fair view.

2. The accounts shall be prepared so as to:

(a) Give a true and fair view of the financial position as at 31 March 2015 and subsequent financial year-ends, and of the comprehensive income and expenditure, cash flows for the financial year then ended; and


(b) Provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.

(c) Follow the additional accounting and disclosure requirements set out in Annex A.

3. This Direction applies to the Lottery distribution activities of sportscotland. The direction given in April 2010 is revoked.

4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. Any material departure from the FReM should be discussed with HM Treasury.

Signed by the authority of the Scottish Ministers



**Richard Foggo, Deputy Director and Head of Active Scotland Division, The Scottish Government
July 2015**

I agree, signed on behalf of the Secretary of State for Culture, Media and Sport



. Peter Mills

Date 27 July 2015

Head of Finance Special Projects

Department for Culture, Media and Sport

ANNEXA

ADDITIONAL ACCOUNTING AND DISCLOSURE REQUIREMENTS

The following paragraphs detail the additional requirements as agreed by Scottish Ministers, the Secretary of State for Culture, Media and Sport and sportscotland, over and above those disclosures required in the FReM.

- 1. The Statement of Net Comprehensive Income/Expenditure shall include as separate items, where material:**
 - a. the share of Lottery proceeds attributable to sportscotland;**
 - b. the share of investment income of the National Lottery Distribution Fund attributable to sportscotland;**
 - c. interest receivable on lottery funds;**
 - d. repayment of grants;**
 - e. any other income;**

- f. grant made from lottery funds;
 - g. lapsed or revoked grant previously recorded as commitments from lottery funds;
 - h. the total operating costs incurred in respect of National Lottery distribution activities.
2. The Statement of Financial Position shall include:
- a. under the heading "Current assets": shown as an investment, the balance held on behalf of sportscotland at the National Lottery Distribution Fund;
 - b. Grants falling due for payment within one year should be disclosed separately under the heading "Current Liabilities".
 - c. Grants falling due for payment after more than one year should be separately disclosed under the heading "Non current liabilities"
3. The Cash Flow Statement shall use the indirect method when presenting "Cash flow from Operating Activities";
4. The Notes to the Accounts should meet the requirements of the FReM and include:
- a. a statement that the Accounts have been prepared in a form directed by the Scottish Ministers and with the consent of the Secretary of State for Culture, Media and Sport in accordance with Section 35(3) of the National Lottery etc. Act 1993;
 - b. a statement of the accounting policies. This must include a statement explaining the nature of the balances held on sportscotland's behalf in the National Lottery Distribution Fund as follows:

"Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media & Sport. However, the share of these balances attributable to sportscotland is as shown in the Accounts

and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media & Sport as being available for distribution by sportscotland in respect of current and future commitments."

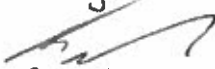
c. the value of grant commitments at the year-end which sportscotland has made but which have not been included as liabilities in the Statement of Financial Position because they did not meet the criteria for being treated as liabilities at that date;

d. where grants exceed available resources as shown in the Statement of Financial Position, a note explaining the rationale for the over-commitment taking into account any advice received from the Department as appropriate.

e. a note reconciling the opening and closing balance of investments held at the NLDF. This should disclose proceeds received from the National Lottery, investment income, unrealised gains and losses on investment, and cash drawn down from the NLDF

f. a breakdown of the total grant liabilities (current and non current) in the Statement of Financial Position to show:

- Liability brought forward
- Commitments in the year
- Decommitments
- Commitments paid
- Liability carried forward
- A breakdown of the liability for each year up to and including 5 years and over 5 years

July 2015

Pam Hill

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