

The Scottish Sports Council Trust Company
Annual Report and Financial Statements
For the year ended 31 March 2023

Registered Number SC137068
Charity Number SC020175
Limited By Guarantee

**THE SCOTTISH SPORTS COUNCIL TRUST COMPANY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
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THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

CHAIR'S REPORT

2022/23 has been a year of steady growth for the Trust Company's National Centres, as customers have returned across a broad range of activities, resulting in strong increases in trading income and participant numbers throughout the year.

Inverclyde has had a strong year delivering excellent residential experiences across a broad spectrum of participant groups, with increased residential occupancy across the year and a record level of trading income. Customers have returned across all parts of the business and the investment in facilities to support our current and planned participant base has led to 26 sports and a wide range of primary and secondary schools from across Scotland making use of the residential and sporting facilities, as well as the wider outdoor estate at Largs.

Glenmore Lodge has also seen steady growth in customer numbers, residential occupancy and trading income during the year, whilst adapting its operating model to customers' requirements for accommodation and course activity now that all Covid-19 restrictions have been removed. Considerable efforts have been made to review the strategy and associated course offering for Glenmore Lodge, and the benefits of this review will be expected to be delivered over the next 3-5 years, with a more focused course offering and a drive to widen the customer base.

sportscotland has continued to support and invest in the two National Centres, both in terms of underpinning key operating activities and funding upgrades and enhancement to facilities to meet the needs of participants going forward, and to support engagement with new customer groups in support of **sportscotland's** strategic objectives. This has enabled the National Centres to continue to play a key role in delivering the outcomes aligned with the ambitions of the Active Scotland Outcomes Framework (ASOF) which continues to be the Scottish Government's key policy framework for delivering a more active Scotland.

The National Centres have continued to play a leading role in demonstrating **sportscotland's** commitment to Equality, Diversity and inclusion, specifically working with many groups and partners in a residential setting to deliver key experiences and opportunities. The National Centres are uniquely positioned to take on this leadership role and will continue to look to develop these opportunities in the future.

With the support of **sportscotland**, the Trust Company has continued to invest in the development of its two sites. The completion of the Activity Sports Hub building at Inverclyde has enhanced the options for utilising the wider outdoor estate, especially for schools' groups, as well as growing the overall capacity of the centre. At Glenmore Lodge, the development of the estate will continue to be considered alongside the implementation of the strategy, recognising customer preferences for accommodation and food and drink, and the expected demand for courses and activities.

Both National Centres have forecast continued strong growth in trading income and in customer numbers in 2023/24, and **sportscotland** will continue to support the Trust Company and its Board and senior management as they seek to develop and grow their activities, whilst continuing to take a leading role in delivering the **sportscotland** Corporate Strategy and engaging more of the Scottish population from all backgrounds in sports and outdoor activity.

Maureen Campbell
Chair

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

The Directors present their report and the audited financial statements for the year ended 31 March 2023, which have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102), the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Memorandum and Articles of Association, and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)' (Charities SORP (FRS 102)) (effective 1 January 2019).

The **sportscotland** Board has approved the planned financial investment in the Trust Company for 2023/24 as part of the approval of its budget for 2023/24, which includes the allocation of Grant in Aid from the Scottish Government for 2023/24.

Our purposes and activities

The main purposes of the Trust Company are:

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

In order to achieve these aims the Trust Company operates the National Sports Centres at Glenmore Lodge, near Aviemore and Inverclyde, at Largs, at which courses of instruction and sporting facilities are provided. Further information on the courses and facilities provided can be obtained from the **sportscotland** (the trading name of The Scottish Sports Council) website (<https://sportscotland.org.uk/>).

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

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

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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Strategic Report

Achievements and performance

The **sportscotland** Trust Company operates two national centres; Glenmore Lodge, and Inverclyde. The national centres provide unique facilities and services, providing people with opportunities to participate and progress in sport. They also contribute to and at times lead innovation in specific areas of the sporting sector. In particular, the staff and facilities at the national centres and the access they provide to Scotland's outdoor landscape are an important national resource and asset in Scotland's sporting system.

Inverclyde

2022/23 was the first full trading year at the centre since the interruptions to operations due to the Covid-19 pandemic. 2022/23 was the strongest year of trading across all key metrics – income, occupancy, participant days and number of groups.

The schools' market, which had been one of the last to return due to Covid-19 considerations, bounced back better than pre-pandemic levels, with income at £478k, 32% more than the previous high of financial year of 2018/19. Demand is strong across the year for school bookings, branching out with the previously traditional school period of March – June, this demand for traditionally quieter periods of occupancy in the winter months in turn contributed to the strongest February and March trading period since the centre reopened in 2017.

The SGB segment finished the year £36k ahead of budget, as this segment continues to grow following Covid-19 disruption. Encouragingly, this growth is due to not only returning SGBs, but also new SGBs who had previously not utilised the centre pre-covid. Smaller to mid-scale competitive events at weekends for SGBs, such as Scottish Judo and Wrestling, has also contributed to this revenue growth.

The clubs segment continues to build up towards pre-pandemic levels, finishing the year at £266k. This is primarily due to the strength of gymnastics club training and football pre-season, although encouragingly a range of martial arts have returned to the centre for the first time since Covid-19, aiding the recovery of this segment. Across both clubs and SGBs, 26 sports were represented in groups from these segments.

Finally, for residential income, the partner and internal segments have increased to be significant income generators, from previously low levels. This is in part due to an increase in targeted investment by **sportscotland** into groups utilising the national centre for a residential experience. This is expected to continue into future financial years and due to the design of this model can be used to support periods of expected lower occupancy.

Community income segments including fitness, gymnastics, golf and community court & pitch bookings, continue to supplement the core residential segments. Fitness, in particular, has seen significant growth from pre-pandemic levels, in large part due to increasing demand for junior memberships.

Overall expenditure finished slightly up on budget, primarily down to two areas - increased gas costs against budget, as well as increased contractor costs for cleaning & catering expenses. This is linked to an increase in residential group numbers and therefore there is associated increased income with these additional costs.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Glenmore Lodge

Glenmore Lodge continues to deliver high quality training, supporting personal outcomes for individuals and helping support development and innovation in the outdoor and adventure sport sector. It remains a key strategic partner for governing bodies across four primary outdoor and adventure sports – mountaineering, paddle sports, snow sports and mountain biking. This partnership continues to bring significant resilience to qualification frameworks as investment is prioritised to support the development of future leaders, coaches, and instructors.

2022/23 represented the first full year of trading since the start of the pandemic. We have seen a return to near normal levels of activity, although overall occupancy remains constrained by high levels of single room occupancy. While we achieved an overall room occupancy of 50%, bed utilisation was only 37%.

Throughput on programmed courses was 2,529 (PY 1,940), this represents 88% of our two-year pre pandemic average. In addition, we had a further 928 individual undertaking tailor-made training courses and 2,459 individuals who attended a conference or seminar.

Income out turned at £1,521k, 12% above forecast (PY £1,117k excluding Furlough). Despite experiencing exceptional increases in all areas of our cost base (Biomass costs increased 67%), we were able to contain costs within our forecast.

sportscotland continues to invest in Glenmore Lodge as a strategic venue for outdoor and adventure sport. Investment this year supported refurbishment of South Wing accommodation. Its facilities support several governing bodies and individuals, as well as being used by a variety of local and regional sports clubs.

Glenmore Lodge offers unique opportunities for promoting #SportForLife within targeted EDI areas. Our focus within the reporting period (2022-2023) has been on the following key areas, with the following supportive examples:

- Women in leadership and female participation
- Youth
- Safety
- Community
- Inclusion

Women in Leadership and Female Participation

This year has provided further opportunity to build on continued successful work targeting female leaders and female participants. In partnership with Scottish Cycling/Developing Mountain Biking in Scotland (DMBinS) we developed the Rider2Leader scheme – designed to encourage women into Mountain Bike leadership roles. Now about to start its third year, this has actively identified barriers to women in a leadership role and sought to break these barriers down: [Rider 2 Leader - Fundamentals of Leadership - Glenmore Lodge](#)

Female participation continued to be supported through the delivery of women specific skills training courses. Find out more: [Women's Courses: Meet the Instructors - Glenmore Lodge](#)

Youth

Supporting the development of young outdoor leaders, our annual Instructor Development Scheme offers young people valuable experience in all aspects of instruction and the running of a national centre. Learn more: [2022-23 IDS: 6 months in - Glenmore Lodge](#)

To support participation in the outdoors, we run 2 annual under 18 adventure weeks. In conjunction with Young Scot, Scotland's young people aged between 14-17 can access courses at a greatly reduced rate.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

In 2022 we worked with Scottish Canoe Association to expand this under 18 offering to include paddlesports qualifications. 12 young Paddlesports Leaders attended the British Canoeing Core Coach Training course, enabling potential future leadership.

Inclusion

2022 also saw us involved in a pilot scheme, undertaken with Urban Uprising and Climb Scotland, to support disadvantaged young people to discover rock climbing. We also supported the delivery of the first para-climbing camp, created by Able2Adventure, which ran at Glenmore Lodge in 2022, with the aim of further future delivery.

Working in partnership with DMBinS (Developing Mountain Biking in Scotland) the tutor elements for Adaptive Cycling will be integrated into the Leadership Awards.

Community

The Glenmore Lodge campus has supported many local outdoor communities. From the youth climbing club, Geckos, who would not be able to run without the Glenmore Lodge climbing wall, through to the ski slope. The role of the ski slope to the local Snowsports community is significant. Glenmore Lodge's dry slope is frequently used by local clubs and businesses to support the development and growth of the Strathspey snowsports community. The Cairngorm Ski Club and the Snowboard Club both make use of the slope for no charge when conditions at Cairngorm Mountain are not suitable, as well as for training outwith the winter months. In October 2022, Glenmore Lodge hosted the Scottish Schools Ski Association (SSSA) Dual Slalom race, in which many young members of the ski club competed. The SSSA is a national charity that uses snowsports to improve children and young people's physical and mental health and enable them to develop confidence and skills. The dry slope is also used at a supported rate by the local business Free-Ski to provide lessons for primary and pre-school children in Aviemore to discover the fun of snowsports. Throughout the year, but especially during winter months when the slope is in high demand, community access is prioritised. It has also supported the delivery of training to Adaptive Ski, providing skiing to those physically restricted.

Safety Training

Approximately 40% of our Event business is related to safety training. From delivery of the Scottish Mountain Rescue training courses, Mountain Rescue England and Wales Training courses, support for SARDA (Search and Rescue Dogs training), Bristows Search & Rescue helicopter crew training, it is the cornerstone of our support for the outdoor community. Alongside this we host two Mountaineering Scotland student training weekends. Both see approximately 80 students undertaking invaluable training based from Glenmore Lodge. Glenmore Lodge also supports a Mountain Rescue team of its own and provides support to the local Mountain Rescue provision in the local area.

Initial development work for Snowsports Scotland, around SnowSmart – a youth / school educational curriculum to support national awareness and safe behaviours in the winter mountains. A Memorandum of Understanding has been signed, which provided 50 days of Instructor time to support this initiative.

Scottish Avalanche Information Service (SAIS)

During the year we changed the model of employment for delivery of the avalanche service, to ensure that that our forecasters who delivered the service through a contract for service, continued to be compliant with HMRC regulations. This resulted in recruiting and employing 21 new forecasters who are now **sportscotland** employees. This represents 25% of our overall headcount.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Financial review

Financial summary

The deficit before other recognised gains of the Trust Company for the year amounted to £141k (2022: £965k). Funding of £4,183k (2022: £4,266k) was received from **sportscotland**, with a further £3,291k (2022: £2,043k) being generated from the Trust Company's charitable activities and £207k (2022: £517k) from other trading activities. The Trust Company received £1,184k (2022: £536k) of donated assets from **sportscotland**, comprising capital project spend at Inverclyde and Glenmore Lodge.

At 31 March 2023 the Trust Company has net current liabilities of £822k (2022: net current liabilities of £834k). Current creditors includes £638k (2022: £667k) of deferred income. This is income received that has been deferred until the Trust Company has earned the income. This income will be released to the Statement of Financial Activities in future years. Excluding deferred income, the Trust Company has net current liabilities of £184k (2022: net current liabilities £167k). The Trust continues to receive significant investment from **sportscotland**, to enable the ongoing delivery of key training activities, to ensure the maintenance and development of the estate and to enable it to continue as a going concern.

Financial risks and controls

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. Day to day transactions are processed by the Trust Company finance staff at each of the centres, with support provided by the central **sportscotland** finance team. Regular management accounts are prepared by the central **sportscotland** finance team in collaboration with the Trust Company finance staff.

The Trust Company centres are included in the quarterly budget reviews by the central **sportscotland** finance team and there are also monthly meetings to review the monthly management accounts, as well as forecasts and operational matters. This involves a detailed review of the budget of each centre with the centre management team and finance staff, in order to understand key variances and to consider any required updates to the budget.

A finance report is prepared for each of the Trust Company Board meetings, highlighting key trading income and expenditure by centre, as well as providing an analysis of significant variances to budget.

The continued focus on applying an effective procurement process has resulted in cost savings, enhanced systems and more effective contract management. The operation of the PSF finance system has continued to deliver efficiencies through reduced paperwork, process timescales and resource requirement.

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.

Risk management

The Trust Company achieves its risk management objectives by the continued use of a structured risk management process in conjunction with **sportscotland**, designed to ensure that potential opportunities and threats are proactively and systematically identified, assessed and addressed. The Trust Company maintains its own risk register and this is reviewed by the Board on an annual basis.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

The Trust Company Directors have considered the risks to which the Trust Company is exposed and considered the actions to mitigate those risks. The main risks affecting the Trust Company are:

- Failure to achieve the Annual Business Plan through not achieving income or expenditure targets;
- Failure to comply with the protection of vulnerable groups;
- Forced closure due to external enforcements e.g. SEPA, environmental health.
- Loss of part or all of the facilities and estate due to a significant event leading to an inability to operate.
- Loss of protected information and failure to comply with Information Management requirements; and
- A significant adverse event involving a member of staff or participant on a training course.

Funds policy

The Trust Company has unrestricted funds only, except for where there are assets donated by **sportscotland**.

Unrestricted funds

The unrestricted funds are available for use in the furtherance of the Trust Company's objectives. The balance at 31 March 2023 is £25,062k (2022: £22,613k).

The Trust Company is funded by income from its charitable and trading activities and by donations, including those from **sportscotland**. **sportscotland** has confirmed that it will continue to provide financial support to the Trust Company including continuing to act as guarantor of any balance sheet deficit affecting the Trust Company, subject only to the availability of funding from the Scottish Government. This commitment is clearly set out in the Memorandum of Understanding between **sportscotland** and the Trust Company, which is reviewed and approved each year by both Boards. Due to the nature of the funding of the Trust Company, a specified Reserves policy is not considered necessary.

Expenditure during the year has supported the key objectives of the Trust Company as set out in the achievement and performance section above.

Going concern

The Trust Company has sought to manage its financial position throughout a year when trading has recovered from the Covid-19 period. The closure of Cumbrae at the end of September 2020 has helped to manage the level of investment required from **sportscotland** and income has steadily increased as residential customers have returned. **sportscotland** will continue to provide financial support to the Trust Company, subject to the availability of funding from the Scottish Government as per the Memorandum of Understanding agreed with **sportscotland**. This Memorandum of Understanding is reviewed and approved each year by the **sportscotland** Board and the Trust Company Board.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Plans for future periods

The National Centres have successfully re-engaged with key customer groups following the disruption of the Covid-19 lockdown restrictions and continue to work to build the confidence of existing and new customer. They are also looking at opportunities to grow new markets and capitalise on revived levels of interest in outdoor physical activities and sports.

Support for outdoor and adventure sport remains a key element of **sportscotland's** corporate strategy and the National Centres will continue to have a key role in supporting this in the future. The Centres will also take an increasingly important role in the development and delivery of **sportscotland's** Equality, Diversity and Inclusion strategy.

The investment in the Active Sports Hub at Inverclyde will help to develop further outdoor activities around the wider estate at Inverclyde, whilst the implementation of the Glenmore Lodge strategy will drive further investment in course activities and in the campus and operational structure to support those activities.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Structure, governance and management

Governing documents

The Trust Company is limited by guarantee. The guarantor is:

	Number	Value £
The Scottish Sports Council (trading as sportscotland)	1	1

The governing documents of the Trust Company are the Memorandum and Articles of Association along with **sportscotland's** Memorandum of Understanding with the Trust Company.

Board meetings are held every three to four months and the Directors have full, strategic decision-making responsibility. All Directors are entitled to attend these meetings.

Appointment of Directors

As set out in the Memorandum of Understanding between the Trust Company and **sportscotland**, the Chair is appointed by **sportscotland** from one of the two non-executive directors appointed to the Trust Company Board by **sportscotland**. All remaining directors are recruited through an open recruitment process and are independent of **sportscotland**.

Trustee induction and training

Newly appointed Directors are subject to a formal induction process as part of their appointment. This process involves briefings from the Chair and operational overviews from **sportscotland's** Chief Executive, the Principal and Head of Centre.

Organisation

The Board of Directors, which can have up to 12 members, administers the company. The board normally meets quarterly. To facilitate effective operations, the Centre principals have delegated authority for operational matters including finance, employment and operational activities.

There is an Audit Committee which normally meets 1-2 times a year. Membership of the Audit Committee consists of non-executive directors. The membership is detailed below:

Frances R Wood (Chair)	(resigned 1 April 2022)
Kirsty Garrett	(resigned 9 February 2023)
Pamela Woodman	(resigned 1 April 2022)
Kay Morrison	
Dilawer Singh MBE	
Maureen Campbell (Chair)	(appointed 1 April 2022)
Kirstie Hepburn	(appointed 13 June 2023)
Iain Houston	(appointed 13 June 2023)

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

The Audit Committee and the Trust Company Board receive periodic reports from the Internal Auditor for **sportscotland** when these relate to the Trust Company. **sportscotland** utilises a professional firm of accountants, Azets, as its internal auditor, who operate to standards defined in the *Government Internal Audit Public Sector Standards*. Azets 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.

Related parties and co-operation with other organisations

None of our Directors receive remuneration or other benefits from their work.

All Directors are required to disclose potential conflicts of interest on the Register of Interests, which is published on the website at the following link:

<https://sportscotland.org.uk/about-us/who-we-are/trust-company-board/>

Pay policy for senior staff

All staff working for the National Centres are employed by **sportscotland** and as such provide services to the Trust Company.

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 be subject to the Scottish Government Public Sector Pay Policy.

Equal Opportunities in employment and disabled employees

The Trust Company is committed to the promotion of policies for equal opportunities and to non-discrimination on the grounds of disability.

Staff policies applied during the year

The Trust Company 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.

The Trust Company 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.

The Equality and Diversity in Employment Policy supports the Trust Company'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.

The Trust Company 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.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Reference and administrative details of the charity, its trustees and advisors

The registered name of the charity is "The Scottish Sports Council Trust Company".

The Scottish Sports Council Trust Company (the Trust Company) is constituted as a company limited by guarantee under Companies Act legislation and has been recognised by the Inland Revenue as having charitable status and, as such, is exempt from corporation tax.

The company registration number is SC137068 and the registered charity number is SC020175.

Registered Office

The address of the Company's registered office is:

Doges, Templeton on the Green
62 Templeton Street
Glasgow
G40 1DA

Professional advisors

The professional advisors to the Trust Company are:

Bankers:	Bank of Scotland 206 St John's Road Edinburgh EH12 8SH	Solicitors:	Wright, Johnston & Mackenzie LLP 302 St Vincent Street Glasgow G2 5RZ
Auditor:	Wylie & Bisset (Audit) Limited 168 Bath Street Glasgow G2 4TP	Actuaries:	Hymans Robertson LLP 221 West George Street Glasgow G2 2ND

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Directors and Trustees

All Directors are also the Trustees for the purposes of charity law; however, we refer to these individuals as Directors throughout the Annual Report.

In April 2010, the Trust Company Board was restructured so that, under the Charity and Investment (Scotland) Act 2005 conflict of interest regulations, the Board has independence from the main Scottish Sports Council Board.

All Directors are non-executive and are as follows:

Frances R Wood (Chair)	(resigned 1 April 2022)
Pamela Woodman	(resigned 1 April 2022)
Kay Morrison	
David Rhoney	
Dilawer Singh MBE	
Jane Booth (nee Walters)	
Kirsty Garrett	(resigned 9 February 2023)
Susie Sandilands	
Kirstie Hepburn	
Mark Gaffney	
Iain Houston	
Robin Strang	
Maureen Campbell (Chair)	(appointed 1 April 2022)

Mr Andrew Shaw is the Secretary.

The day-to-day management of the Trust Company is delegated by the Directors to the Principal of Glenmore Lodge and the Head of Centre for Inverclyde and Cumbrae as follows:

Shaun Roberts	Glenmore Lodge
Barry Fleeting	Inverclyde and Cumbrae

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Statement of the Directors' responsibilities

The Directors are responsible for preparing the Directors' Report including the Strategic Report and the financial statements in accordance with applicable law and regulations.

Charity and company law require the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust Company and of the income and expenditure of the Trust Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust Company's transactions and disclose with reasonable accuracy at any time the financial position of the Trust Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Trust Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to the auditor

As far as each of the Directors at the time the report is approved are aware:

- there is no relevant information of which the Trust Company's auditor is unaware; and
- the Directors, having made enquiries of fellow directors and the Trust Company's auditor that they ought to have individually undertaken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Post balance sheet events

There are no significant post balance sheet events affecting the Trust Company.

By Order of the Board

DocuSigned by:

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Maureen Campbell
Chair

10 August 2023

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of The Scottish Sports Council Trust Company (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities (incorporating an income and expenditure account), the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 8 and 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2023

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries: and
- Management bias in accounting estimates.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates:
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements:
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims:
- Reading minutes of meetings of those charged with governance:
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

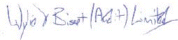
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2023

Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Scott Gillon BA (Hons) FCCA, CA
Senior Statutory Auditor
For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Date: 10th August 2023

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	<u>Continuing Operations</u>			<u>Discontinuing Operations</u>			Total 2023 £000	Total 2022 £000
		Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000		
Income from									
Donations and legacies	5	4,314	1,184	5,498	-	-	-	5,498	4,802
Income from other trading activities	5	207	-	207	-	-	-	207	517
Charitable activities	5	3,291	-	3,291	-	-	-	3,291	2,043
Total income		7,812	1,184	8,996	-	-	-	8,996	7,362
Expenditure on									
Expenditure on raising funds	7	(455)	-	(455)	(2)	-	(2)	(457)	(416)
Charitable activities	7	(8,642)	-	(8,642)	(38)	-	(38)	(8,680)	(7,911)
Total expenditure		(9,097)	-	(9,097)	(40)	-	(40)	(9,137)	(8,327)
Net (expenditure)/income		(1,285)	1,184	(101)	(40)	-	(40)	(141)	(965)
Transfers between funds		1,184	(1,184)	-	-	-	-	-	-
Net expenditure before other recognised gains and losses		(101)	-	(101)	(40)	-	(40)	(141)	(965)
Other recognised Gains/(losses)									
Actuarial gain/(loss) on defined benefit pension schemes	17	2,590	-	2,590	-	-	-	2,590	2,966
Net movement in funds	9	2,489	-	2,489	(40)	-	(40)	2,449	2,001
Total funds at 1 April 2022	18,19	22,613	-	22,613	-	-	-	22,613	20,612
Total funds at 31 March 2023	18,19	25,102	-	25,102	(40)	-	(40)	25,062	22,613

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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Property, plant & equipment	10	26,760	26,294
Intangible assets	11	33	-
		<u>26,793</u>	<u>26,294</u>
Current assets			
Stocks	12	17	16
Debtors	13	227	126
Cash at bank and in hand	14	256	163
		<u>500</u>	<u>305</u>
Creditors: amounts falling due within one year	15	<u>(1,322)</u>	<u>(1,139)</u>
Net current liabilities		<u>(822)</u>	<u>(834)</u>
Creditors: amounts falling due after more than one year	16	<u>(909)</u>	<u>(1,091)</u>
Net assets excluding pension asset/liability		25,062	24,369
Pension Liability	17	-	<u>(1,756)</u>
Net assets		<u>25,062</u>	<u>22,613</u>
Funds			
Restricted funds	18	-	-
Unrestricted funds	18	25,062	22,613
	19	<u>25,062</u>	<u>22,613</u>

The financial statements were authorised for issue by the Board of Directors on 10 August 2023 and were signed on its behalf by:

DocuSigned by:

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Maureen Campbell, Chair

Registered Number SC137068

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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net expenditure		(141)	(965)
Donated Assets		(1,184)	(536)
Depreciation		685	618
Net loss/(gain) on sale of tangible fixed assets		-	216
(Increase) in stock		(1)	(5)
(Increase) in debtors		(101)	(69)
(Decrease)/increase in creditors		1	33
Net return on pension scheme		834	952
Net cash provided by operating activities		<u>93</u>	<u>244</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(261)
Proceeds on sale of tangible fixed assets		-	14
Net cash used in investing activities		<u>-</u>	<u>(247)</u>
Increase/(decrease) in cash and cash equivalents in the year		93	(3)
Cash and cash equivalents at 1 April	14	163	166
Cash and cash equivalents at 31 March	14	<u>256</u>	<u>163</u>

Analysis of net debt

	At 1 April 2022 £000	Cash flows £000	At 31 March 2023 £000
Cash and cash equivalents	163	93	256

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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General Information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Trust Company's transactions are denominated. They comprise the financial statements of the Trust Company.

The principal activity of the Trust Company is to operate the National Sports Centres at Glenmore Lodge, near Aviemore and Inverclyde, at Largs.

The Trust Company is a private company limited by guarantee, incorporated in the United Kingdom and registered in Scotland. It is recognised as a charitable company for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC020175. Details of the registered office and company registration number can be found in the Directors' Report (incorporating the Strategic Report).

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accountancy and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (effective 1 January 2019), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires Directors to exercise their judgement in the process of applying the accounting policies (see note 3).

(b) Going concern

sportscotland has historically and will continue to support the Trust Company to the extent needed, through the funding supplied to **sportscotland** on an annual basis by the Scottish Government, reflecting the contribution of the Trust Company's national centres in supporting the delivery of the **sportscotland** Corporate Strategy.

The Trust Company has and will continue to be reliant on the funding from **sportscotland** to enable it to continue to operate and to meet its pension liability, as per the Memorandum of Understanding agreed with **sportscotland**. This Memorandum of Understanding is reviewed and approved each year by the **sportscotland** Board, with the most recent approval in April 2023.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

(b) Going concern (continued)

A budget has been prepared for the Trust Company for the year ended 31 March 2024. This budget was considered by the **sportscotland** board as part of the approval of the **sportscotland** budget in April 2023, which included funding of £3.5 million for the Trust Company for 2023-24 along with capital expenditure funding of £0.6 million.

sportscotland has a funding agreement in place for the financial year ending 31 March 2024 with the Scottish Government which allows it to support the Trust Company for the financial year ending 31 March 2024. The Scottish National Party committed to doubling investment for Sport and Physical Activity over the life of the next Parliament in its manifesto for the May 2021 elections and the **sportscotland** board has no reason to think that funding will not continue to be provided by Scottish Government to **sportscotland**. Funding from Scottish Government to **sportscotland** increased by £1.8 million in 2023-24. Funding from the Scottish Government to **sportscotland** is therefore expected to continue in the financial year ending 31 March 2024 and beyond, allowing **sportscotland** to continue to provide the required financial support to the Trust Company in line with the commitments in the Memorandum of Understanding, which will allow the Trust Company to continue to trade in the year ending 31 March 2025. Thus, the Directors have prepared the financial statements on a going concern basis.

(c) Income and expenditure recognition policy

Income

All income is included in the Statement of Financial Activities when the Trust Company is entitled to the income, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:-

- Donation and legacy income is received by way of grants, donations and legacies and is included in the Statement of Financial Activities when the Trust Company becomes entitled to the funds, it is probable that the income will be received and the amount can be measured reliably;
- Income from charitable activities is accounted for when earned, it is probable that the income will be received and the amounts can be measured reliably;
- Income from other trading activities is accounted for when earned;
- Investment income is recognised when receivable and the amount can be measured reliably; and
- Other income is recognised when the Trust Company is entitled to the income and the amount can be measured reliably.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

(c) Income and expenditure recognition policy (continued)

- Donated assets are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. On receipt, donated assets are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain assets of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. As no system exists to directly attribute costs between charitable activities expenditure and raising funds expenditure an estimate is made each year based on activity. Expenditure comprises:

- Cost of raising funds expenditure comprises the costs associated with attracting income;
- Charitable activities expenditure comprises those costs incurred by the Trust Company in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust Company and comprise the audit fee only.

All costs (including support costs) relating to a particular activity are allocated directly.

(d) Value added tax

All income and expenditure is shown net of Value Added Tax (VAT). The Trust Company incurs some irrecoverable VAT due to the nature of its activities. This is allocated to expenditure categories on the same basis as the cost. Some irrecoverable VAT arises on fixed asset purchases directly incurred by the Trust Company but this is deemed negligible and is charged to expenditure.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

(e) Post-retirement benefits

All members of staff have the option of joining the Strathclyde Pension Fund (SPF). This is a defined benefit pension scheme.

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 the Trust Company. 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.

Whilst the staff who operate the national centres for the Trust Company are **sportscotland** employees, in accordance with the group's stated policy, their costs of employment, including pension costs, are included in the Statement of Financial Activities in these accounts and the associated pension liability for these staff is included in the Balance Sheet for these accounts.

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

(f) Leases

The rental costs of operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

(g) Fixed assets and depreciation

Individual fixed assets costing £2,000 or more are capitalised at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Long leasehold land and buildings are carried at fair value at the date of the revaluation plus any subsequent additions at cost less any subsequent accumulated depreciation and impairment losses. Revaluations are undertaken with sufficient regularity, at least every 5 years, to ensure the carrying amount does not differ materially from that which would be determined using the fair value at the Balance Sheet date. Fair values are determined from market based evidence normally undertaken by third party professional qualified valuers.

Depreciation is provided on all fixed assets, other than land and assets under construction, at rates calculated to write off the revalued amount/historical cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:-

Leasehold buildings	50 years
Fixtures and fittings	5 years
Equipment (general and computing)	4 years
Motor vehicles	4 years
Intangible assets	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.

Intangible assets comprise the cost of software capitalised.

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.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

(h) Stocks

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

(i) Debtors

Short term debtors are measured at transaction price, less any impairment.

(j) Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid deposits with a short maturity of twelve months or less from the date of opening of the deposit or similar account.

(k) Creditors

Short term trade creditors are measured at transaction price.

(l) Financial instruments

The Trust Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors and amounts owed from the parent undertaking. Basic financial instruments that are payable or receivable within one year are initially and subsequently measured at the undiscounted amount of cash expected to be paid or received. Debt instruments payable or receivable after more than one year are initially measured at the net present value of the future cashflows and subsequently at amortised cost using the effective interest method.

(m) Fund accounting

Restricted funds are to be issued for specified purposes laid down by the donor. Expenditure for these purposes is charged to the fund.

Unrestricted funds are donations and other income sources received or generated in the furtherance of the general objectives of the company.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. Judgements in applying policies and key sources of estimates' uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from each estimate.

The directors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate

Basis of estimation

Depreciation & amortisation of fixed assets

Fixed assets are depreciated and amortised over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of senior management, with reference to assets expected life cycle.

Bad debt provision

Trade debtors are reviewed by appropriately experienced senior management at each Centre on a case by case basis with the balance outstanding and ageing of debtor taken into consideration.

The obligations under the Strathclyde Pension Scheme

The actuarial assumptions are prepared by a qualified actuary. The Directors review these assumptions to ensure they are reasonable.

Valuations used for freehold land and buildings

Freehold land and buildings were valued by an appropriately qualified surveyor using market data at the valuation date.

Allocation of expenditure between activities

Expenditure is allocated between expenditure on raising funds and charitable activities. The split is 5% to raising funds and 95% to charitable activities.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****4. Comparative Statement of Financial Activities (incorporating the Income and Expenditure Account)**

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000
Income from			
Donations and legacies	4,266	536	4,802
Income from other trading activities	517	-	517
Charitable activities	2,043	-	2,043
Total income	<u>6,826</u>	<u>536</u>	<u>7,362</u>
Expenditure on			
Expenditure on raising funds	(416)	-	(416)
Charitable activities	(7,911)	-	(7,911)
Total expenditure	<u>(8,327)</u>	<u>-</u>	<u>(8,327)</u>
Net (expenditure)/income	(1,501)	536	(965)
Transfers between funds	536	(536)	-
Net expenditure before other recognised gains and losses	<u>(965)</u>	<u>-</u>	<u>(965)</u>
Other recognised gains			
Actuarial gain/(loss) on defined benefit pension schemes	2,966	-	2,966
Net movement in funds	<u>2,001</u>	<u>-</u>	<u>2,001</u>

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. Income

Donations and legacies

	Unrestricted funds	Restricted funds	Total £000
2023			
Funding from sportscotland	4,183	-	4,183
Assets donated by sportscotland	-	1,184	1,184
Other income	131	-	131
	<u>4,314</u>	<u>1,184</u>	<u>5,498</u>
2022			
Funding from sportscotland	4,266	-	4,266
Assets donated by sportscotland	-	536	536
	<u>4,266</u>	<u>536</u>	<u>4,802</u>

Income from other trading activities

	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
2023				
Staff meals, accommodation and training	-	-	29	29
Other income	124	-	54	178
	<u>124</u>	<u>-</u>	<u>83</u>	<u>207</u>

	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
2022				
Staff meals, accommodation and training	-	-	41	41
HMRC Furlough income	180	-	108	288
Other income	87	16	85	188
	<u>267</u>	<u>16</u>	<u>234</u>	<u>517</u>

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. Income (continued)

Charitable activities

	Inverclyde	Cumbrae	Glenmore Lodge	Total
2023	£000	£000	£000	£000
Course fees	1,065	-	1,082	2,147
Hires, sales & hospitality	592	-	370	962
Facilities hire North Ayrshire Council	182	-	-	182
	<u>1,839</u>	<u>-</u>	<u>1,452</u>	<u>3,291</u>

	Inverclyde	Cumbrae	Glenmore Lodge	Total
2022	£000	£000	£000	£000
Course fees	610	-	730	1,340
Hires, sales & hospitality	375	-	146	521
Facilities hire North Ayrshire Council	182	-	-	182
	<u>1,167</u>	<u>-</u>	<u>876</u>	<u>2,043</u>

Funding from sportscotland

During the period, funding of £4,183k (2022: £4,266k) was received from **sportscotland** and assets donated of £1,184k (2022: £536k).

During the period, income of £nil (2022: £288k) was received, via **sportscotland**, from HMRC's Coronavirus Job Retention Scheme.

Included within Other income were gains on disposal of assets of £nil (2022: £14k).

sportscotland intends to continue to provide financial support to the Trust Company subject only to the availability of funding from the Scottish Government.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Employees

Total staff costs comprise:

	2023	2022
	£000	£000
Wages and salaries	3,219	2,937
Social security costs	332	268
Pension costs	1,375	1,368
	<u>4,926</u>	<u>4,573</u>

The pension costs include £775k (2022: £866k) of a charge as a result of the annual Strathclyde pension valuation (see note 17).

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

	2023	2022
	Number	Number
Inverclyde	52	52
Glenmore Lodge	60	51
	<u>112</u>	<u>103</u>

All employment contracts are with **sportscotland** and the relevant amounts charged to the Trust Company.

Number of employees with emoluments over £60,000:-

	2023	2022
	Number	Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

The pension contributions for employees earning over £60,000 were:-

	2023	2022
	£000	£000
Pension contributions	<u>27</u>	<u>26</u>

No emoluments were paid to Directors in either year.

Key management personnel comprise of the Principal and Head of Centre.

The emoluments of key management (excluding pension contributions and including benefits in kind) for the year were £148k (2022: £142k). The employers' NI contributions for the year were £18k (2022: £16k). Their pension contributions for the year were £27k (2022: £26k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Expenditure

2023	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Raising funds				
Staff costs	115	-	132	247
Outside catering costs	41	-	8	49
Operating lease rentals	1	-	2	3
Support costs:				
Administration	13	-	12	25
Training	6	-	35	41
Disallowed VAT	7	-	8	15
Household	13	-	1	14
Establishment	12	2	15	29
Depreciation and amortisation	30	-	4	34
	238	2	217	457

2023	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Charitable activities				
Staff costs	2,175	-	2,504	4,679
Outside catering costs	775	-	155	930
Operating lease rentals	12	-	42	54
Support costs:				
Administration	243	-	222	465
Training	117	-	664	781
Disallowed VAT	143	-	143	286
Household	243	-	31	274
Establishment	221	38	289	548
Depreciation and amortisation	580	-	71	651
Governance costs	6	-	6	12
	4,515	38	4,127	8,680

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Expenditure

2022	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Raising funds				
Staff costs	104	12	113	229
Outside catering costs	26	-	6	32
Operating lease rentals	1	-	1	2
Support costs:				
Administration	13	-	14	27
Training	6	-	31	37
Disallowed VAT	5	-	5	10
Household	6	-	1	7
Establishment	16	-	13	29
Loss on disposal of assets	-	12	-	12
Depreciation and amortisation	27	-	4	31
	<u>204</u>	<u>24</u>	<u>188</u>	<u>416</u>

2022	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Charitable activities				
Staff costs	1,978	223	2,143	4,344
Outside catering costs	497	-	102	599
Operating lease rentals	9	-	32	41
Support costs:				
Administration	255	-	261	516
Training	111	1	591	703
Disallowed VAT	100	-	100	200
Household	119	-	21	140
Establishment	294	12	246	552
Loss on disposal of assets	-	218	-	218
Depreciation and amortisation	518	2	67	587
Governance costs	5	-	6	11
	<u>3,886</u>	<u>456</u>	<u>3,569</u>	<u>7,911</u>

As no system exists to directly attribute costs between charitable activities expenditure and raising funds expenditure an estimate is made each year based on activity. For the year to 31 March 2023 the split was 95% charitable and 5% income generating (2022: 95% charitable and 5% income generation).

Each centre is operated as a separate cost centre within the Trust Company. Support costs are allocated to the centre that incurred the cost.

The Charitable Company was charged a management charge of £407k (2022: £401k) by **sportscotland** in the year. This has been allocated as £20k (2022: £20k) as expenditure on raising funds - administration expenses and £387k (2022: £381k) as expenditure on charitable activities – administration expenses.

In the prior year, the Loss on disposal of assets of £230k was for the property at Cumbrae, which was transferred back to **sportscotland**.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

8. Governance costs

	2023	2022
	£000	£000
Audit fee	12	11

9. Net movement in funds

Net movement in funds are stated after charging:

	2023	2022
	£000	£000
Depreciation	685	618
Auditor's remuneration – audit fee	12	11
Operating lease rentals	57	43
Gain on disposal of assets	-	14
Loss on disposal of assets	-	230

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

10. Tangible fixed assets

	Leasehold land and buildings £000	Assets under construction £000	Fixtures & fittings £000	Equipment £000	Motor vehicles £000	Total £000
Cost/valuation						
At 1 April 2022	26,369	448	45	761	190	27,813
Additions	933	-	-	195	23	1,151
Transfers	448	(448)	-	-	-	-
Disposals	-	-	-	(4)	-	(4)
At 31 March 2023	27,750	-	45	952	213	28,960
Accumulated depreciation						
At 1 April 2022	(975)	-	(45)	(392)	(107)	(1,519)
Charge for year	(512)	-	-	(131)	(42)	(685)
Disposals	-	-	-	4	-	4
At 31 March 2023	(1,487)	-	(45)	(519)	(149)	(2,200)
Net book value						
At 31 March 2023	26,263	-	-	433	64	26,760
At 31 March 2022	25,394	448	-	369	83	26,294

All land and buildings were revalued as at 31 March 2020 on a useful economic basis. The valuation was carried out by an independent valuer, DVS, the commercial arm of the Valuation Office Agency.

If fixed assets had not been revalued they would be included at a capitalised value of £29,721k with aggregate depreciation thereon of £7,158k (2022: £28,576k and £6,408k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Intangible fixed assets

	Software £000
Cost	
At 1 April 2022	74
Additions	33
At 31 March 2023	<u>107</u>
Amortisation	
At 1 April 2022	(74)
Charge for year	-
At 31 March 2023	<u>(74)</u>
Net Book Value	
At 31 March 2023	<u>33</u>
At 31 March 2022	<u>-</u>

12. Stocks

	2023 £000	2022 £000
Goods held for resale	13	7
Consumable stores	4	9
	<u>17</u>	<u>16</u>

13. Debtors

	2023 £000	2022 £000
Trade debtors	86	69
Amounts owed from the parent undertaking	90	-
Prepayments	51	57
	<u>227</u>	<u>126</u>

Trade debtors is shown net of the bad debts provision of £16k (2022: £22k). Movements in the bad debts provision are included within support costs.

14. Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	<u>256</u>	<u>163</u>

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Creditors: amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	336	235
Amounts owed to the parent undertaking	-	42
Accruals	348	195
Deferred income	638	667
	<u>1,322</u>	<u>1,139</u>

16. Creditors: amounts falling due after more than one year

	2023	2022
	£000	£000
Deferred income	909	1,091

Movements in deferred income during the year are as follows:

	2023	2022
	£000	£000
At 1 April 2022	1,758	1,752
Released in the year	(667)	(479)
Deferred in the year	456	485
At 31 March 2023	<u>1,547</u>	<u>1,758</u>

Income is deferred when it relates to courses which are due to be run after the year end and income relating to a service level agreement for access to the Trust's facilities at Inverclyde over an 11 year period that commenced in April 2018.

Deferred income will be released to the Statement of Financial Activities when the Trust Company has earned the income. £182k (2022: £363k) of the deferred income will be released after 5 years (in line with the length of the service agreement).

Included in income from charitable activities is a release of deferred income of £667k (2022: £479k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Pension and Similar Obligations

All members of staff have the option of joining the Strathclyde Pension Fund (SPF). The scheme is a defined benefit scheme and the Company contributes 19.3% (2022: 19.3%) to the scheme. Employee contributions are a fixed percentage based on gross salary. The charge in the financial statements of £592k (2022: £502k) reflects the costs incurred by the Company during the year for the SPF.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method. The latest actuarial valuation of the SPF scheme was as at 31 March 2020.

The Strathclyde Pension Fund

Strathclyde Pension Fund operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 March 2020 by a qualified independent actuary.

The major assumptions used by the actuary were:

	31 March 2023	31 March 2022
Rate of increase in salaries	3.65%	3.85%
Rate of increase in pensions in payment and deferred pensions	2.95%	3.15%
Discount rate applied to scheme liabilities	4.75%	2.75%

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI2020 model with an allowance for smoothing of recent mortality experiences and long term rates of 1.5% p.a. for males and 1.5% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	19.3 years	22.2 years
Future pensioners	20.5 years	24.2 years

Sensitivity analysis

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

Change in assumptions at 31 March 2023	Approx. % increase to Defined Benefit Obligation	Approx. monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	332
1 year increase in member life expectancy	4%	539
0.1% increase in the Salary Increase Rate	0%	37
0.1% increase in the Pension Increase Rate (CPI)	2%	300

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****17. Pension and Similar Obligations (continued)****Scheme Assets**

The assets in the scheme and the expected rate of return were:

	% of Scheme assets	Value at 31 March 2023 £000	% of Scheme assets	Value at 31 March 2022 £000
Equities	78%	14,849	79%	14,859
Bonds	12%	2,186	10%	1,901
Property	8%	1,563	8%	1,588
Cash	2%	<u>359</u>	3%	<u>479</u>
Total		18,957		18,827
Present value of scheme liabilities		<u>(13,480)</u>		<u>(20,583)</u>
Net pension asset/(liability)		<u>5,477</u>		<u>(1,756)</u>

The asset values at 31 March 2023 and 2022 are at bid price as required by FRS 102.

The overall expected long term return on plan assets is a weighted average of the expected long term returns for equity securities, debt securities and other assets.

FRS102 (28.22) states that there are limited circumstances where an entity is likely to be able to recognise a defined benefit pension scheme asset.

The basic premise of FRS102 (28.22) is as follows:

An entity shall recognise a pension surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

In addition to this guidance, consideration should be given to the following:

- The calculation of a surplus as at 31st March as part of an annual actuarial valuation does not in itself give rise to a reduction in contributions;
- If the entity's right to a refund of a surplus depends on the occurrence or non-occurrence of one or more uncertain future events not wholly within its control, the entity does not have an unconditional right and should not recognise an asset; and
- Creation of an asset for accounting purposes by undertaking an actuarial valuation does not give rise to a legal right to the asset created.

In consideration of the above, the most prudent position to be adopted in the financial statements is to recognise no asset on the Balance Sheet, irrespective of the calculation which has been undertaken by actuaries in arriving at this position. The curtailment of the asset has been adjusted against actuarial gains to limit the asset value to £nil.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Pension and Similar Obligations (continued)

Analysis of amounts charged to net expenditure:

	2023	2022
	£000	£000
Amounts included in salary costs		
Current service cost	(1,346)	(1,419)
Past service cost	-	-
Contributions by the employer	571	553
	<u>(775)</u>	<u>(866)</u>

Amounts included in finance costs:

	2023	2022
	£000	£000
Expected return on pension scheme assets	525	353
Interest on pension scheme liabilities	(584)	(439)
Net return	<u>(59)</u>	<u>(86)</u>

Analysis of amounts included in other recognised gains and losses:

	2023	2022
	£000	£000
Other experience	(1,155)	(49)
Actual return less expected return on scheme assets	(959)	971
Changes in demographic assumptions	150	145
Changes in assumptions underlying the present value of scheme liabilities	10,031	1,899
Adjust actuarial gain to show £nil asset value	(5,477)	-
Actuarial gain/(loss) recognised in the Statement of Financial Activities	<u>2,590</u>	<u>2,966</u>

Reconciliation and changes in the present value of the defined benefit obligation were as follows:

	2023	2022
	£000	£000
Opening defined benefit obligation	20,583	20,704
Current service cost	1,346	1,419
Past service cost	-	-
Interest cost	584	439
Contributions by members	200	187
Actuarial (gains)/losses	(9,026)	(1,995)
Estimated benefits paid	(207)	(171)
Closing defined benefit obligation	<u>13,480</u>	<u>20,583</u>

The estimated value of employer's contributions for the year to 31 March 2024 will be £571k.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****17. Pension and Similar Obligations (continued)**

Reconciliation and changes in the fair value of scheme assets are as follows:

	2023	2022
	£000	£000
Opening fair value of employer's assets	18,827	16,934
Expected return on assets	525	353
Contributions by members	200	187
Contributions by the employer	571	553
Actuarial gains/(losses)	(959)	971
Estimated benefits paid	(207)	(171)
Closing fair value of employer's assets	<u>18,957</u>	<u>18,827</u>
Adjust actuarial gain to show £nil net asset value	(5,477)	-
Net pension asset/(liability)	<u>-</u>	<u>(1,756)</u>

History of Experience Gains and Losses:

	Value at 31 March 2023 £000	Value at 31 March 2022 £000	Value at 31 March 2021 £000	Value at 31 March 2020 £000	Value at 31 March 2019 £000
Difference between the expected and actual return on assets	(959)	971	2,946	(909)	609
Value of assets	18,957	18,827	16,934	13,134	13,253
Percentage of assets	(5.1)%	5.2%	17.4%	(6.9)%	4.6%
Experience gains on liabilities	(1,155)	(49)	(19)	71	-
Total present value of liabilities	13,480	20,583	20,704	14,594	15,648
Percentage of the total present value of liabilities	(8.6)%	(0.2)%	(0.1)%	0.5%	0.0%
Actuarial gains/(losses) recognised in the Statement of Financial Activities for the year	2,590	2,966	(1,874)	1,501	(526)
Total present value of liabilities	13,480	20,583	20,704	14,594	15,648
Percentage of the total present value of liabilities	19.2%	14.4%	(9.1)%	10.3%	(3.4)%

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Funds

2023	At 1 April 2022 £000s	Income and endowments £000s	Expenditure £000s	Transfers £000s	Other recognised gains £000s	At 31 March 2023 £000s
Restricted funds						
Project fund	-	-	-	-	-	-
Capital contribution fund	-	1,184	-	(1,184)	-	-
	-	1,184	-	(1,184)	-	-
Unrestricted funds						
General fund	22,613	7,812	(9,137)	1,184	2,590	25,062
Total funds	22,613	8,996	(9,137)	-	2,590	25,062

2022	At 1 April 2021 £000s	Income and endowments £000s	Expenditure £000s	Transfers £000s	Other recognised gains £000s	At 31 March 2022 £000s
Restricted funds						
Project fund	-	-	-	-	-	-
Capital contribution fund	-	536	-	(536)	-	-
	-	536	-	(536)	-	-
Unrestricted funds						
General fund	20,612	6,826	(8,327)	536	2,966	22,613
Total funds	20,612	7,362	(8,327)	-	2,966	22,613

Restricted funds

During the year £1,184k (2022 £536k) was received from **sportscotland** for assets purchased by the Trust Company in the year. The balance on Restricted funds at the end of the year was £nil (2022 £nil).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****19. Analysis of net assets between funds**

Fund balances at 31 March 2023 are represented by:

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Fixed assets	26,793	-	26,793
Current assets	500	-	500
Current liabilities	(1,322)	-	(1,322)
Non-current liabilities	(909)	-	(909)
Pension Liability	-	-	-
Net assets	<u>25,062</u>	<u>-</u>	<u>25,062</u>

Fund balances at 31 March 2022 are represented by:

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Fixed assets	26,294	-	26,294
Current assets	305	-	305
Current liabilities	(1,139)	-	(1,139)
Non-current liabilities	(1,091)	-	(1,091)
Pension liability	(1,756)	-	(1,756)
Net assets	<u>22,613</u>	<u>-</u>	<u>22,613</u>

20. Capital commitments

	2023 £000	2022 £000
Committed, not provided	-	<u>367</u>

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21. Company status and related parties

The Trust Company was incorporated in Scotland and is limited by guarantee. The guarantor is:

	Value
The Scottish Sports Council (trading as sportscotland)	£ 1

sportscotland is the national agency for sport in Scotland.

The Directors of the Trust Company and their associated organisations during the year to 31 March 2023 are detailed below:

Maureen Campbell	Non-Executive Director sportscotland Chair Scottish Canals
Kirsty Garrett	Culture and Sport Glasgow, trading as Glasgow Life
Kay Morrison	South Lanarkshire Leisure & Culture Falkirk Council
David Rhoney	Help for Heroes Scottish Disability Sport NHS Lanarkshire
Dilawer Singh MBE	Scottish Ethnic Minority Sports Association Sports Council for Glasgow Punjabi Sahit Sabha Cricket Scotland Glasgow Life Glasgow City Council
Jane Booth	Opus 29 Consultancy Stirling Council
Susie Sandilands	sportscotland BBC and BBC Scotland
Kirstie Hepburn	Shine Collaborative
Iain Houston	Associate Dean, Academic Manager, City of Glasgow College Glasgow City Council
Mark Gaffney	Scottish Disability Sport Director of Coaching and Engagement, East of Scotland LTA
Robin Strang	Robin Strang Consulting Community Leisure Scotland West Lothian Leisure Non-Executive Director OSCR Non-Executive Director Scottish Canals

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22. Company status and related parties (continued)

During the year £132k was received net from **sportscotland** (2022 £36k was received from **sportscotland**).

At the end of the year £90k was due from **sportscotland** (2022 £42k was due to **sportscotland**).

During the year expenses of £2k (2022 < £1k) were paid by **sportscotland** to directors for travel to and from board meetings.

The results of the Trust Company are included in the consolidated financial statements of **sportscotland**, copies of which can be obtained from <https://sportscotland.org.uk/>.

23. Commitments under operating leases

At 31 March 2023 the Trust Company had future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£000	£000
Not later than 1 year	8	27
Later than 1 year and not later than 5 years	-	8
	<u>8</u>	<u>35</u>

24. Contingent Liabilities

The company has three outstanding litigation claims at 31 March 2023, relating to three incidents that occurred during trading activities. Two of these claims were disclosed as contingent liabilities at 31 March 2022.

It is not possible to identify the likely timing of the conclusion of these matters, nor is it possible to reliably estimate the likely financial effect, if any, of these claims. The maximum value relating to these three claims is estimated at £2.15m (2022: £1.35m).