

**The Scottish Sports Council Trust Company
Annual Report and Financial Statements
For the year ended 31 March 2021**

**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 2021
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THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

CHAIR'S REPORT

2020-21 will be remembered as an extremely challenging year across so many aspects of the Trust Company.

The year started with a total lockdown of the country and the closure of all the National Centres. A partial, cautious reopening of some activities at Glenmore Lodge and Inverclyde towards the end of the summer was followed by a further lockdown which meant that the last four months of the financial year saw the centres closed once again.

What this timeline does not show is the huge amount of activity that was undertaken across the Trust Company throughout the year, as alternative ways of working were developed to support partners, staff were supported in continuing to enhance their knowledge and skills, new signage and health & safety equipment were acquired and the centres planned for the various new Government guidance and statutory requirements under which they were required to operate and put in place Covid mitigation measures.

At Inverclyde, the close working relationship with North Ayrshire Council meant that we made ourselves available as a potential surge site for elderly patients requiring post hospital care (although we were not needed in the end) and made ourselves available as a vaccination centre, helping to implement the drive to vaccinate the population as quickly as possible, and furloughed staff volunteered to assist with the effort. In between time, the staff were maintaining the facilities and preparing plans for reopening.

Inverclyde and Glenmore Lodge made use of the HMRC Coronavirus Job Retention Scheme, both in its initial fixed three week format and then in its more flexible format. This enabled the Trust Company to mitigate some of the trading losses arising from being closed, whilst retaining our full workforce for when the centres could reopen. Without this Scheme, the level of investment required by **sportscotland** would have been considerably higher.

At Glenmore Lodge, a small amount of training activity was able to take place during the late summer and autumn of 2020, before the second lockdown began. Senior staff continued to work closely with Sports Governing Bodies to provide support and content for online activities and engagement with their membership, whilst continuing to plan for various reopening scenarios.

At Cumbrae, the pandemic prevented the planned final summer season from taking place and the centre formally closed on 30 September 2020. Discussions are now under way with the local community to find a mutually beneficial use for the site on the island.

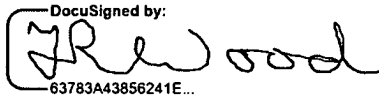
sportscotland has continued to provide strong support to the Trust Company and its staff throughout the year. There has also been the opportunity to review, enhance and more closely integrate the role of the national centres in the delivery of the **sportscotland** corporate strategy and to seek to give greater prominence to the centres, working together with the rest of **sportscotland** to deliver 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 Trust Company reviewed its Memorandum of Understanding with **sportscotland** and both parties approved a revised MOU which reflects this closer alignment.

We accept that 2021-22 will be a rebuilding year for the centres in many ways as they seek to reengage with their customer base. However, by working closely with the rest of **sportscotland** and external partners, there are great opportunities for the centres to engage with the Scottish public as never before, as interest in outdoor activity continues to rise and people are increasingly looking at ways to benefit from physical activity within Scotland whilst international travel restrictions continue, and hopefully beyond that time as well.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

CHAIR'S REPORT

sportscotland is committed to supporting the Trust Company to enable it to flourish once again when restrictions are fully lifted and the Trust Board will support and guide senior management as they look to reopen and re-establish the national centres as key components in delivering the **sportscotland** Corporate Strategy.

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Frances R Wood
Chair

5th August 2021

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 2021, 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)).

The sportscotland Board has approved the planned financial investment in the Trust Company for 2021/22 as part of the approval of its budget for 2021/22, which includes the allocation of Grant in Aid from the Scottish Government for 2021/22.

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

The National Centre at Inverclyde closed prior to the first nationwide lockdown on 20th March and remained closed throughout the first quarter of the year. On 20th May, 85% of the staff team were placed on furlough, with all operational staff including customer services, sports programmes and some business development functions within this group. Some limited staff presence was required from our Facilities & Estates teams to maintain the site, along with booking and finance teams to process a large volume of cancellations incurred due to Covid. Following changes to the Job Retention Scheme, allowing flexible furlough, some staff returned to the business in July. On November 2nd, a further change to the Job Retention Scheme allowed for a new cohort of employees to be added to the furlough scheme, subsequently all of the staff team with the exception of the Head of Centre have been placed on Flexible Furlough and will remain so until the current scheme end date of September 2021.

Elite & performance sport exemptions to Covid-19 restrictions allowed provision for some limited residential group activity to occur in July and August. Three residential groups were welcomed to the centre and this enabled us to pilot new operating procedures including strict social distancing protocols, restricted access and enhanced hygiene measures. With the exception of these three groups, the centre remained closed until Scottish Government restrictions eased in September, with the centre reopening on September 14th for fitness suite use and community bookings of facilities. Our recreational gymnastics programme returned in November for a short period of time on a reduced basis, with less classes and fewer gymnasts per class. Return to sport restrictions varied dependent on sport, contact type, age of participants and if an indoor/outdoor facility. These mixed factors and continuing changes to guidance provided a constantly evolving operating environment for staff teams to navigate.

Due to a combination of factors, namely ongoing uncertainty linked to pandemic restrictions, organisational furlough for many sports governing bodies & clubs along with financial considerations, no further residential groups were booked at the centre during the remainder of this financial year. In December, what was initially scheduled as festive break, after updated Scottish Government restrictions were issued, resulted in a subsequent closure, with the doors closing again for a second time on 24th December and remaining so throughout the final quarter of the year.

In the early stages of the first lockdown, we worked closely with the NHS Health & Social Care Partnership to consider Inverclyde as a potential surge site for beds to support the NHS. Thankfully these plans did not need to be activated. In December 2020, we started work with NHS Ayrshire & Arran to consider utilising Inverclyde as a vaccination site for the rollout. We welcomed our first vaccinators and visitors to site in February and by the end of March 2021 had over 7000 vaccinations administered over 7 days, this is expected to continue into summer 2021, with many of our staff teams volunteering to support as marshals during this time.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Achievements and performance (continued)

Despite the obvious challenges in 20/21 for many trading organisations, we have continued to engage positively with our partners across our key focus areas of sport for both governing bodies and clubs along with the schools & education sector, with many discussions focused around restart planning and return to residential training as we enter the next financial year. Work has continued to ensure all areas of the facilities & estate are maintained to the highest standard expected by performance groups, ready to be mobilised as and when our customers return.

Cumbrae

Cumbrae officially closed on 30th September 2020 following an extensive business review. The 2020/21 season was expected to be the final season. The centre opened on 2nd March 2020 following a winter shutdown but unfortunately business operations ceased on 20th March 2020 and did not restart due to the ongoing COVID Crisis. From 20th March staff were instructed to work from home and on 20th May they were placed on furlough. The centralised Facilities and Estates Team managed the security and reactive maintenance at the centre.

sportscotland is committed to a no compulsory redundancy policy, therefore all staff were offered redeployment to another department within the wider organisation. Staff were also given the option to leave the business through the Voluntary Exit Scheme. The Inverclyde Centre Management continue to oversee the facility while discussions are ongoing with the local community over an asset transfer. This is expected to take up to 24 months with the community seeking a short-term lease in the meantime to establish their business. A contingency plan remains in place to sell the site on the open market should the community be unable to develop a suitable business plan.

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.

Covid-19 has had a hugely damaging impact on our ability to deliver in 2020-21. The centre closed to the public on the 21st of March 2020 and remained closed until the 14th of September 2020, when we were able to reopen on a limited basis with a maximum of 12 individuals. On the 26th of December, Scotland moved into level 4 and on the 5th of January Scotland moved into a complete lockdown. This meant that our entire winter programme (£190k) had to be cancelled, this remained the case till the end of the financial year, with plans to reopen the centre on the 26th of April 2021. The Trust Company were able to take advantage of the Coronavirus Job Retention Scheme (CJRS) which netted £1.1m, Glenmore Lodge £436k. In the brief period we were open (12 weeks) we delivered training to 200 students (2,793). Our training skills videos continue to average circa 34,500 views per month.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Achievements and performance (continued)

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

During the year we were able to take advantage of the centre being closed and undertake a number of planned maintenance projects the majority of these related to high-risk areas that had been identified in the CAPITA conditions audit from July 2019. In addition, capital investment has allowed us to finish the instructor welfare facilities and complete the conversion of an existing staff house into a 10-bed bunk house (Coire Lodge), we also procured a new avalanche training system.

Scottish Avalanche Information Service (SAIS)

The Scottish Avalanche Information Service is fully funded, managed and delivered by **sportscotland** within the remit of the **sportscotland** Trust Company. This service continues to deliver daily avalanche observations and forecasts throughout the winter period (mid-December to mid-April) and remains the mountain public's default source of avalanche awareness information. During 2020-21 the service received 858,000 views of key information, via the services forecast or mountain conditions blog, directly supporting participation in Scotland's winter mountains.

sportscotland also directly funded the Mountain Weather Information Service to deliver Scottish mountain forecasts (4.8 million views) to further support taking part in our mountains.

Financial review

Financial summary

The deficit before other recognised gains of the Trust Company for the year amounted to £445k (2020: £257k). Funding of £4,500k (2020: £3,770k) was received from **sportscotland**, with a further £338k (2020: £3,530k) being generated from the Trust Company's charitable activities and £1,317k (2020: £121k) from other trading activities. The Trust Company received £279k (2020: £808k) of donated assets from **sportscotland**, comprising capital project spend at Inverclyde and Glenmore Lodge.

At 31 March 2021 the Trust Company has net current liabilities of £690k (2020: net current liabilities of £795k). Current creditors includes £479k (2020: £496k) 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 £211k (2020: net current liabilities £299k). 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.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

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. This involves a detailed review of the budget of each centre with the centre principal 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 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:

- the effects of the ongoing Covid-19 crisis: loss of income due to closure of Centres, increased costs due to restrictions such as social distancing, increased need for personal protective equipment and revised use of accommodation and training areas.
- Failure to achieve the Annual Business Plan through not achieving income or expenditure targets;
- Loss of protected information and failure to comply with Information Management requirements;
- Management and implementation of the Cumbrae review; 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**.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

Unrestricted funds

The unrestricted funds are available for use in the furtherance of the Trust Company's objectives. The balance at 31 March 2021 is £20,612k (2020: £22,931k).

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 been limited by the COVID-19 pandemic. The Company has made use of the HMRC Coronavirus Job Retention Scheme, as well as reducing non-salary costs where possible. The planned closure of Cumbrae at the end of September 2020 has also helped to manage the level of investment required from **sportscotland**. Whilst restrictions due to Covid-19 will continue to impact the national centres in 2021-22 and lead to additional funding requirements, **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.

Plans for future periods

The Covid-19 pandemic crisis has had a significant impact on the operation of the national centres in 2020-21 and will continue to do so in 2021-22.

The national centres have been reopening on a phased basis from April 2021 in line with Government lockdown guidance. As lockdown restrictions are eased, the national centres are implementing new operating procedures in order to meet the conditions of ongoing restrictions on indoor and outdoor activity and training for groups and individuals.

In the longer term, the centres will need to restructure their businesses, re-engage with key customer groups and identify how existing and new customer needs can be accommodated in the light of revised controls around residential and non-residential activities and changing patterns of behaviour in relation to leisure activities. There may also be 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 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 five non-executive directors. The membership during the 2020-21 financial year is detailed below:

Frances R Wood (Chair)
Kirsty Garrett
Pamela Woodman
Kay Morrison
Dilawer Singh MBE

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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

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 web-site 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)
Pamela Woodman	
Kay Morrison	
David Rhoney	
Dilawer Singh MBE	
Jane Booth (nee Walters)	
Kirsty Garrett	
Susie Sandilands	
Kirstie Hepburn	
Mark Gaffney	
Iain Houston	
Robin Strang	

Tamsin Nankivell resigned as Secretary on 30 June 2020.

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.

Auditor

The appointed external auditor, Scott-Moncrieff Audit Services, resigned during the year. Following a tender process, Wylie and Bisset (Audit) Limited was appointed as external auditor for the current year financial statements.

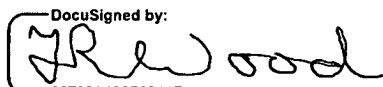
THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

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

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Frances R Wood
Chair

5th August 2021

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Scottish Sports Council Trust Company (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, 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 2021, 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

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2021

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.

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.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2021

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.

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;

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE SCOTTISH SPORTS COUNCIL TRUST COMPANY FOR THE YEAR ENDED 31 MARCH 2021

- 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/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

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:

Wylie & Bisset (Audit) Limited

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Jenny Simpson

Senior Statutory Auditor

For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street

Glasgow

G2 4TP

Date: 5th August 2021

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Note	<u>Continuing Operations</u>			<u>Discontinuing Operations</u>			Total	Total
		Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	2021 £000	2020 £000
Income from									
Donations and legacies	5	4,500	279	4,779	-	-	-	4,779	4,578
Income from other trading activities	5	1,022	-	1,022	295	-	295	1,317	121
Charitable activities	5	338	-	338	-	-	-	338	3,530
Total income		5,860	279	6,139	295	-	295	6,434	8,229
Expenditure on									
Expenditure on raising funds	7	(298)	-	(298)	(46)	-	(46)	(344)	(424)
Charitable activities	7	(5,661)	-	(5,661)	(874)	-	(874)	(6,535)	(8,062)
Total expenditure		(5,959)	-	(5,959)	(920)	-	(920)	(6,879)	(8,486)
Net (expenditure)/income		(99)	279	180	(625)	-	(625)	(445)	(257)
Transfers between funds		279	(279)	-	-	-	-	-	-
Net expenditure before other recognised gains and losses		180	-	180	(625)	-	(625)	(445)	(257)
Other recognised Gains/(losses)									
Gain on revaluation of assets	10	-	-	-	-	-	-	-	1,108
Actuarial gain/(loss) on defined benefit pension schemes	17	(1,874)	-	(1,874)	-	-	-	(1,874)	1,501
Net movement in funds	9	(1,694)	-	(1,694)	(625)	-	(625)	(2,319)	2,352
Total funds at 1 April 2020	18,19	22,931	-	22,931	-	-	-	22,931	20,579
Total funds at 31 March 2021	18,19	21,237	-	21,237	(625)	-	(625)	20,612	22,931

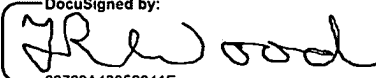
The notes to these financial statements form part of these financial statements.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £000	2020 £000
Fixed assets			
Property, plant & equipment	10	26,345	26,640
Intangible assets	11	-	-
		<u>26,345</u>	<u>26,640</u>
Current assets			
Stocks	12	11	32
Debtors	13	57	153
Cash at bank and in hand	14	166	81
		<u>234</u>	<u>266</u>
Creditors: amounts falling due within one year	15	<u>(924)</u>	<u>(1,061)</u>
Net current liabilities		<u>(690)</u>	<u>(795)</u>
Creditors: amounts falling due after more than one year	16	<u>(1,273)</u>	<u>(1,454)</u>
Net assets excluding pension liability		24,382	24,391
Pension liability	17	<u>(3,770)</u>	<u>(1,460)</u>
Net assets		<u>20,612</u>	<u>22,931</u>
Funds			
Restricted funds	18	-	-
Unrestricted funds	18	20,612	22,931
	19	<u>20,612</u>	<u>22,931</u>

The financial statements were authorised for issue by the Board of Directors on 5th August 2021 and were signed on its behalf by:

DocuSigned by:

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Frances R Wood, 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 2021**

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net expenditure		(445)	(257)
Donated Assets		(279)	(808)
Depreciation		586	595
Net (gain) on sale of tangible fixed assets		(23)	(10)
Decrease/(increase) in stock		21	(3)
Decrease in debtors		96	-
Decrease in creditors		(318)	(329)
Net return on pension scheme		436	566
Net cash provided by operating activities		74	(246)
Cash flows from investing activities			
Purchase of tangible fixed assets		(150)	(25)
Proceeds on sale of tangible fixed assets		161	10
Net cash used in investing activities		11	(15)
Increase/(decrease) in cash and cash equivalents in the year		85	(261)
Cash and cash equivalents at 1 April	14	81	342
Cash and cash equivalents at 31 March	14	166	81

Analysis of net debt

	At 1 April 2020 £000	Cash flows £000	At 31 March 2021 £000
Cash and cash equivalents	81	85	166

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 2021

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)', 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 2021.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

(b) Going concern (continued)

A budget has been prepared for the Trust Company for the year ended 31 March 2022 which includes sensitivity analysis. Part of this sensitivity analysis considered the financial impact of the national performance centres not opening fully in the financial year ended 31 March 2022 due to the continued restrictions imposed by COVID-19. This scenario required a funding contribution from **sportscotland** of £4.1m-4.4m, before the benefits of the HMRC Coronavirus Job Retention Scheme are taken into account. This budget and sensitivity analysis was considered by the **sportscotland** board as part of the approval of the **sportscotland** budget in April 2021, which included funding up to £4.4million for the Trust Company for 2021-22.

sportscotland has a funding agreement in place for the financial year ending 31 March 2022 with the Scottish Government which allows it to support the Trust Company for the financial year ending 31 March 2022. 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 the Scottish Government to **sportscotland** is therefore expected to continue in the financial year ending 31 March 2023 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 2023. 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 2021

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 2021

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 2021

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.

Freehold 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:-

Freehold 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 2021

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. Costs of producing free issue publications are written off in the year of purchase.

(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 2021

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 2021

4. Comparative Statement of Financial Activities (incorporating the Income and Expenditure Account)

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000
Income from			
Donations and legacies	3,770	808	4,578
Income from other trading activities	121	-	121
Charitable activities	3,530	-	3,530
Total income	7,421	808	8,229
Expenditure on			
Expenditure on raising funds	(424)	-	(424)
Charitable activities	(8,062)	-	(8,062)
Total expenditure	(8,486)	-	(8,486)
Net (expenditure)/income	(1,065)	808	(257)
Transfers between funds	852	(852)	-
Net expenditure before other recognised gains and losses	(213)	(44)	(257)
Other recognised gains			
Gain on revaluation of assets	1,108	-	1,108
Actuarial gain/(loss) on defined benefit pension schemes	1,501	-	1,501
Net movement in funds	2,396	(44)	2,352

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Income

Donations and legacies

	Unrestricted funds	Restricted funds	Total £000
2021			
Funding from sportscotland	4,500	-	4,500
Assets donated by sportscotland	-	279	279
	<u>4,500</u>	<u>279</u>	<u>4,779</u>
2020			
Funding from sportscotland	3,770	-	3,770
Assets donated by sportscotland	-	808	808
	<u>3,770</u>	<u>808</u>	<u>4,578</u>

Income from other trading activities

	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
2021				
Staff meals and accommodation	-	-	52	52
HMRC Furlough income	522	140	436	1,098
Other income	8	155	4	167
	<u>530</u>	<u>295</u>	<u>492</u>	<u>1,317</u>
2020				
Staff meals and accommodation	21	10	27	58
Other income	2	16	45	63
	<u>23</u>	<u>26</u>	<u>72</u>	<u>121</u>

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Income (continued)

Charitable activities

	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
2021				
Course fees	23	-	61	84
Hires, sales & hospitality	57	-	15	72
Facilities hire North Ayrshire Council	182	-	-	182
	<u>262</u>	<u>-</u>	<u>76</u>	<u>338</u>

	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
2020				
Course fees	426	405	1,094	1,925
Hires, sales & hospitality	942	59	422	1,423
Facilities hire North Ayrshire Council	182	-	-	182
	<u>1,550</u>	<u>464</u>	<u>1,516</u>	<u>3,530</u>

Funding from sportscotland

During the period, funding of £4,500k (2020: £3,770k) was received from **sportscotland** and assets donated of £279k (2020: £808k).

During the period, income of £1,098k (2020: £nil) was received, via **sportscotland**, from HMRC's Coronavirus Job Retention Scheme.

Included within Other income were gains on disposal of assets of £163k (2020: £nil).

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 2021

6. Employees

Total staff costs comprise:

	2021 £000	2020 £000
Wages and salaries	3,156	3,144
Social security costs	276	278
Pension costs	930	1,046
	<u>4,362</u>	<u>4,468</u>

The pension costs include £398k (2020: £500k) 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:

	2021 Number	2020 Number
Inverclyde and Cumbrae	60	75
Glenmore Lodge	57	60
	<u>117</u>	<u>135</u>

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

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

	2021 Number	2020 Number
£60,000 - £69,999	1	-
£70,000 - £79,999	1	1

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

	2021 £000	2020 £000
Pension contributions	<u>25</u>	<u>12</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 £138k (2020: £131k). The employers' NI contributions for the year were £16k (2020: £15k). Their pension contributions for the year were £25k (2020: £24k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Expenditure

2021	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Raising funds				
Staff costs	80	37	101	218
Outside catering costs	7	1	1	9
Operating lease rentals	1	-	2	3
Support costs:				
Administration	8	4	10	22
Training	2	-	13	15
Disallowed VAT	4	-	4	8
Household	7	-	1	8
Establishment	11	4	10	25
Loss on disposal of assets	7	-	-	7
Depreciation and amortisation	26	-	3	29
	153	46	145	344

2021	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Charitable activities				
Staff costs	1,518	703	1,923	4,144
Outside catering costs	129	11	28	168
Operating lease rentals	9	2	30	41
Support costs:				
Administration	165	76	185	426
Training	47	2	253	302
Disallowed VAT	69	-	69	138
Household	140	-	11	151
Establishment	210	72	181	463
Loss on disposal of assets	130	3	-	133
Depreciation and amortisation	493	3	61	557
Governance costs	5	2	5	12
	2,915	874	2,746	6,535

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Expenditure

2020	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Raising funds				
Staff costs	78	50	95	223
Outside catering costs	34	8	12	54
Operating lease rentals	1	-	1	2
Support costs:				
Administration	9	4	9	22
Training	5	4	40	49
Disallowed VAT	5	-	4	9
Household	5	-	2	7
Establishment	14	4	10	28
Depreciation and amortisation	23	4	3	30
	174	74	176	424

2020	Inverclyde £000	Cumbrae £000	Glenmore Lodge £000	Total £000
Charitable activities				
Staff costs	1,476	953	1,816	4,245
Outside catering costs	653	153	227	1,033
Operating lease rentals	8	4	28	40
Support costs:				
Administration	167	73	161	401
Training	94	86	750	930
Disallowed VAT	104	-	69	173
Household	93	-	40	133
Establishment	276	66	190	532
Depreciation and amortisation	431	77	57	565
Governance costs	4	2	4	10
	3,306	1,414	3,342	8,062

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 2021 the split was 95% charitable and 5% income generating (2020: 95% charitable and 5% income generation).

The Charitable Company was charged a management charge of £360k (2020: £295k) by sportscotland in the year. This has been allocated as £18k (2020: £15k) as expenditure on raising funds - administration expenses and £342k (2020: £280k) as expenditure on charitable activities – administration expenses.

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 SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****8. Governance costs**

	2021	2020
	£000	£000
Audit fee	12	10

9. Net movement in funds

Net movement in funds are stated after charging:

	2021	2020
	£000	£000
Depreciation	586	595
Auditor's remuneration – audit fee	12	10
Operating lease rentals	44	42
Loss on disposal of assets	140	-

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****10. Tangible fixed assets**

	Freehold land and buildings £000	Fixtures & fittings £000	Equipment £000	Motor vehicles £000	Total £000
Cost/valuation					
At 1 April 2020	26,331	75	1,303	188	27,897
Additions	254	-	124	51	429
Transfers	-	-	-	-	-
Disposals	(135)	(7)	(828)	-	(970)
At 31 March 2021	26,450	68	599	239	27,356
Accumulated depreciation					
At 1 April 2020	-	(75)	(1,096)	(86)	(1,257)
Charge for year	(488)	-	(70)	(28)	(586)
Disposals	-	7	825	-	832
At 31 March 2021	(488)	(68)	(341)	(114)	(1,011)
Net book value					
At 31 March 2021	25,962	-	258	125	26,345
At 31 March 2020	26,331	-	207	102	26,640

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. The property at Cumbrae is not currently in use for charitable purposes, but the Trustees consider it is appropriate to continue to carry the property at the previous valuation as the future of the site is undecided.

If fixed assets had not been revalued they would be included at a capitalised value of £29,732k with aggregate depreciation thereon of £6,761k (2020: £30,128k and £6,872k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Intangible fixed assets

	Software £000
Cost	
At 1 April 2020 and 31 March 2021	74
Amortisation	
At 1 April 2020	(74)
Charge for year	-
At 31 March 2021	(74)
Net Book Value	
At 31 March 2021	-
At 31 March 2020	-

12. Stocks

	2021 £000	2020 £000
Goods held for resale	5	26
Consumable stores	6	6
	11	32

13. Debtors

	2021 £000	2020 £000
Trade debtors	10	77
Prepayments	47	76
	57	153

Trade debtors is shown net of the bad debts provision of £26k (2020: £24k). Movements in the bad debts provision are included within support costs.

14. Cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	166	81

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	236	144
Amounts owed to the parent undertaking	6	311
Accruals	203	110
Deferred income	479	496
	<u>924</u>	<u>1,061</u>

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

	2021 £000	2020 £000
Deferred income	<u>1,273</u>	<u>1,454</u>

Movements in deferred income during the year are as follows:

	2021 £000	2020 £000
At 1 April 2020	1,950	2,292
Released in the year	(495)	(656)
Deferred in the year	297	314
At 31 March 2021	<u>1,752</u>	<u>1,950</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. £545k (2020: £727k) 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 £495k (2020: £656k).

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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% (2020: 19.3%) to the scheme. Employee contributions are a fixed percentage based on gross salary. The charge in the financial statements of £532k (2020: £546k) 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 2017.

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 2017 by a qualified independent actuary. Strathclyde Pension Fund has accounted for the defined benefit scheme using the interim valuation updated to 31 March 2020.

The major assumptions used by the actuary were:

	31 March 2021	31 March 2020
Rate of increase in salaries	3.5%	2.9%
Rate of increase in pensions in payment and deferred pensions	2.8%	1.8%
Discount rate applied to scheme liabilities	2.05%	2.3%

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 1.25% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	19.8 years	22.6 years
Future pensioners	21.2 years	24.7 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 2021	Approx. % increase to Defined Benefit Obligation	Approx. monetary amount (£000)
0.5% decrease in Real Discount Rate	13%	2,695
0.5% increase in the Salary Increase Rate	2%	348
0.5% increase in the Pension Increase Rate (CPI)	11%	2,286

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****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 2021 £000	% of Scheme assets	Value at 31 March 2020 £000
Equities	77%	12,988	59%	7,749
Bonds	14%	2,290	26%	3,415
Property	8%	1,372	13%	1,707
Cash	1%	284	2%	263
Total		16,934		13,134
Present value of scheme liabilities		(20,704)		(14,594)
Net pension liability		(3,770)		(1,460)

The asset values at 31 March 2021 and 2020 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.

Analysis of amounts charged to net expenditure:

	2021 £000	2020 £000
Amounts included in salary costs		
Current service cost	(929)	(940)
Past service cost	-	-
Contributions by the employer	531	440
	(398)	(500)
Amounts included in finance costs:		
Expected return on pension scheme assets	308	337
Interest on pension scheme liabilities	(346)	(403)
Net return	(38)	(66)

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****17. Pension and Similar Obligations (continued)**

Analysis of amounts included in other recognised gains and losses:

	2021	2020
	£000	£000
Other experience	(123)	71
Actual return less expected return on scheme assets	3,050	(909)
Changes in demographic assumptions	368	593
Changes in assumptions underlying the present value of scheme liabilities	(5,169)	1,746
Actuarial gain/(loss) recognised in the Statement of Financial Activities	<u>(1,874)</u>	<u>1,501</u>

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

	2021	2020
	£000	£000
Opening defined benefit obligation	14,594	15,648
Current service cost	929	940
Past service cost	-	-
Interest cost	346	403
Contributions by members	188	153
Actuarial (gains)/losses	4,820	(2,410)
Estimated benefits paid	(173)	(140)
Closing defined benefit obligation	<u>20,704</u>	<u>14,594</u>

The estimated value of employer's contributions for the year to 31 March 2022 will be £61k.

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

	2021	2020
	£000	£000
Opening fair value of employer's assets	13,134	13,253
Expected return on assets	308	337
Contributions by members	188	153
Contributions by the employer	531	440
Actuarial gains/(losses)	2,946	(909)
Estimated benefits paid	(173)	(140)
Closing fair value of employer's assets	<u>16,934</u>	<u>13,134</u>

Net pension liability	<u>(3,770)</u>	<u>(1,460)</u>
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THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****17. Pension and Similar Obligations (continued)****History of Experience Gains and Losses**

	Value at 31 March 2021 £000	Value at 31 March 2020 £000	Value at 31 March 2019 £000	Value at 31 March 2018 £000	Value at 31 March 2017 £000
Difference between the expected and actual return on assets	2,946	(909)	609	203	1,701
Value of assets	16,934	13,134	13,253	11,899	10,920
Percentage of assets	17.4%	(6.9)%	4.6%	1.7%	15.6%
Experience gains on liabilities	(19)	71	-	933	-
Total present value of liabilities	20,704	14,594	15,648	13,175	13,858
Percentage of the total present value of liabilities	(0.1)%	0.5%	0.0%	7.1%	0.0%
Actuarial gains/(losses) recognised in the Statement of Financial Activities for the year	(1,874)	1,501	(526)	2,099	(1,670)
Total present value of liabilities	20,704	14,594	15,648	13,175	13,858
Percentage of the total present value of liabilities	(9.1)%	10.3%	(3.4)%	15.9%	(12.1)%

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Funds

2021	At 1 April 2020 £000s	Income and endowments £000s	Expenditure £000s	Transfers £000s	Other recognised gains £000s	At 31 March 2021 £000s
Restricted funds						
Project fund	-	-	-	-	-	-
Capital contribution fund	-	279	-	(279)	-	-
	-	279	-	(279)	-	-
Unrestricted funds						
General fund	22,931	6,155	(6,879)	279	(1,874)	20,612
Total funds	22,931	6,434	(6,879)	-	(1,874)	20,612

2020	At 1 April 2019 £000s	Income and endowments £000s	Expenditure £000s	Transfers £000s	Other recognised gains £000s	At 31 March 2020 £000s
Restricted funds						
Project fund	44	-	-	(44)	-	-
Capital contribution fund	-	808	-	(808)	-	-
	44	808	-	(852)	-	-
Unrestricted funds						
General fund	20,535	7,421	(8,486)	852	2,609	22,931
Total funds	20,579	8,229	(8,486)	-	2,609	22,931

Restricted funds

During the year £279k (2020 £808k) 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 (2020 £nil).

A private donation of £900k was received for an indoor 3G pitch at Inverclyde during 2012/13. A further £250k was received, together with Gift Aid of £288k, during 2013/14. The restrictions placed on the donations were to pay for the cost of the Facility and the balance will be used to enhance and maintain the Facility. A £650k donation was received in 2017 from North Ayrshire Council, via **sportscotland**, in connection with the relocation of the golf facility at Inverclyde. The project fund is reduced as expenditure is incurred on the respective projects. Total expenditure on this project to 31 March 2020 amounted to £2,088k, leaving a balance of £nil.

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****19. Analysis of net assets between funds**

Fund balances at 31 March 2021 are represented by:

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Fixed assets	26,345	-	26,345
Current assets	234	-	234
Current liabilities	(924)	-	(924)
Non-current liabilities	(1,273)	-	(1,273)
Pension liability	(3,770)	-	(3,770)
Net assets	20,612	-	20,612

Fund balances at 31 March 2020 are represented by:

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Fixed assets	26,640	-	26,640
Current assets	266	-	266
Current liabilities	(1,061)	-	(1,061)
Non-current liabilities	(1,454)	-	(1,454)
Pension liability	(1,460)	-	(1,460)
Net assets	22,931	-	22,931

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Company status and related parties

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

Value
£
1

The Scottish Sports Council (trading as **sportscotland**)

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 2021 are detailed below:

Frances R Wood	sportscotland Ordinary Member of First Tier Tribunal for Scotland (Housing and Property Chamber) Linlithgow Athletic Club Linlithgow Golf Club City of Edinburgh Council Aberdeen Standard Life Strathclyde University
Kirsty Garrett	Culture and Sport Glasgow, trading as Glasgow Life
Kay Morrison	Falkirk Foundation
David Rhoney	Help for Heroes NHS Lanarkshire
Dilawer Singh MBE	Scottish Ethnic Minority Sports Association Sports Council for Glasgow Punjabi Sahit Sabha
Pamela Woodman	LTA Services Limited Scottish Ministers Scottish Rugby Discipline Panel
Jane Booth	Opus 29 Consultancy Stirling Council
Susie Sandilands	sportscotland BBC and BBC Scotland
Kirstie Hepburn	Head Talks Global Counsel Shine Collaborative
Iain Houston	Associate Dean, Academic Manager, City of Glasgow College
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 Xcite West Lothian Leisure

THE SCOTTISH SPORTS COUNCIL TRUST COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Company status and related parties (continued)

During the year £305k was paid net to **sportscotland** (2020 £126k was received net from **sportscotland**).

At the end of the year £6k (2020 £311k) was due to **sportscotland**.

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/>.

21. Commitments under operating leases

At 31 March 2021 the Trust Company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	60	60
Later than 1 year and not later than 5 years	35	96
	<u>95</u>	<u>156</u>

22. Contingent Liabilities

The company has two outstanding litigation claims at 31 March 2021, relating to two incidents that occurred during trading activities.

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.