

sportscotland **National Lottery** **Distribution Fund**

Annual Report and Accounts
for the year ended 31 March 2025

sportscotland **National Lottery** **Distribution Fund**

Annual report and accounts 2024-2025

For the period 1 April 2024 to 31 March 2025

**Presented to Parliament pursuant to Section 35 of the National
Lottery etc Act 1993**

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sportscotland

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Minister's Foreword

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

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

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

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

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

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

Maree Todd, Minister for Drugs and Alcohol Policy and Sport

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

Report of The Scottish Sports Council

Foreword

The Scottish Sports Council was established by Royal Charter in 1972 for the purposes, inter alia, “of fostering the knowledge and practice of sport and physical recreation among the public at large and the provision of facilities therefore”. On 1 July 1999 the Scottish Sports Council adopted the trading name of **sportscotland**.

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

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

Format of Accounts

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

THE PERFORMANCE REPORT

Overview

Chief Executive's Report

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

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

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

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

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

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

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

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

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

Purpose and Activities of the Organisation

About us

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

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

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

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

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

A sporting system for everyone

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

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

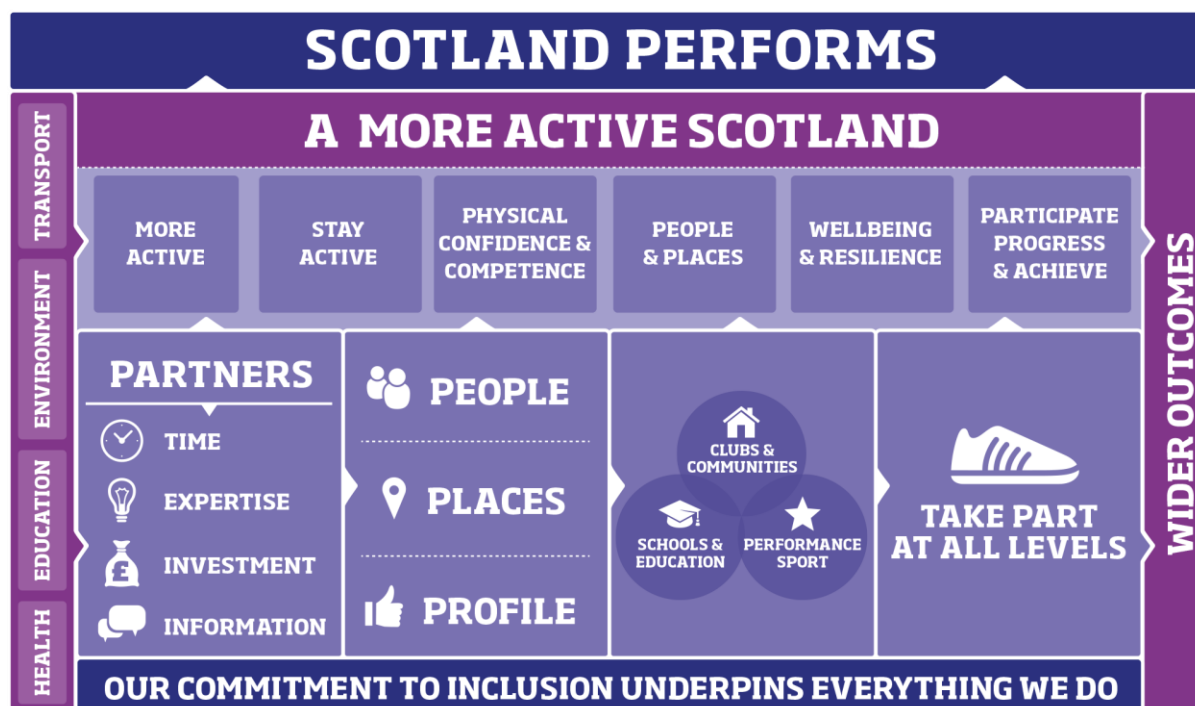
The sporting system is made up of different components that interact with each other as illustrated in the diagram below. It is not a structure, an organisation or a process. The system adapts to its environment. So as the world around sport changes, the system components and the way they interact evolves.

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

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

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

Figure 1: A sporting system for everyone



Structure: Our Environments

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

Schools and Education

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

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

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

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

Clubs and Communities

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

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

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

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

Performance Sport

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

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

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

Making it Happen

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

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

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

Performance Summary

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

We report on our annual performance through:

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

Playing our Part

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

Programmes

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

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

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

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

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

² <https://www.sportforlife.org.uk/>

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

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

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

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

Partners

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

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

People

We provided significant learning and development support to the sector:

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

Places

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

- Invest £1,677,175 into nineteen Sports Facility Fund projects

- Invest £984,736 into six Cycling Facilities Fund projects
- Invest £845,387 into one Transforming Scottish Indoor Tennis project

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

Making it happen

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

We made improvements to how we work:

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

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

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

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

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

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

- Coaching and Volunteering Awards
- Scottish Sport Awards events.

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

National Centres

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

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

Principal Risks

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

Going Concern

The statement of financial position as at 31 March 2025 shows net assets of £42.5m. Funding for **sportscotland** National Lottery Distribution Fund in 2025/26 continues to be provided by the National Lottery Distribution Fund and there is no reason to believe that future funding and budgetary approval will not be forthcoming. It has accordingly been considered appropriate to prepare these financial statements on a 'going concern' basis.

Forbes Dunlop
Chief Executive and Accountable Officer

: [insert date of signature pending]

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

Performance Analysis

National Context

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

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

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

Performance Indicators

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

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

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

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

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

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

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

Key performance indicator dashboard

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

Equality, diversity, and inclusion (EDI) indicator dashboard

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

Active Schools Participants

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

SGB Club Members

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

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

High performance athletes (all)¹⁰

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

High performance athletes (adult)

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

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

SGB EDI data

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

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

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

EDI data for SGB membership

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

Case studies

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

Case Study

Stephen McGuire

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

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

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

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

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

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

Case Study

20 Years of Active Schools

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

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

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

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

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

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

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

The aim of this forum has been:

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

Case Study

Empowering change: Sara Naveed's sporting journey

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

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

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

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

Sara's involvement in LeaderBoard also led to a connection with Cosmopolitan Roses, a London-based netball team that has spearheaded



recruitment for the Pakistan national netball team, allowing Sara to compete at a national level in the sport.

Case Study

Shettleston Boxing Club

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

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

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

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

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

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

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

Case Study

Winning Students 100: Faye Rogers

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

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

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

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

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

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

Case Study

Boosting Orkney's sporting future

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

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

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

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

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

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

Future Plans

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

Review of the Financial Results of the Year

The accounts relate to the year ended 31 March 2025 and are prepared in a form directed by the Scottish Ministers in accordance with section 35 of Part II of the National Lottery etc. Act 1993.

During the year to 31 March 2025 £32,800k (2023/24: £33,200k) was called down from the NLDF towards the payment of approved awards and the administration of the National Lottery Fund. Administration and programme costs including depreciation and corporation tax for the year totalled £9,016k (2023/24: £9,333k).

A summary of the Lottery Balance position at the end of 2024/25 showing the commitments to be made over the next four-year period from 2025/26 to 2028/29 is highlighted in the table below.

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

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

The analysis below provides a breakdown of the soft / other commitments made at **sportscotland** over the four-year period 2025/26 to 2028/29.

	£000	£000
Monies held in National Lottery Distribution Fund for sportscotland		47,836
Less: Commitments during the 4-year period 2024/25 to 2028/29		
Partner Revenue Funding	(56,792)	
Capital Funding	(22,169)	
Effective Organisation	(14,103)	
		(93,064)
Balance to be funded by future Lottery revenues		(45,228)

Remuneration for non-audit services

The accounts are audited by auditors appointed by the Auditor General for Scotland. For the year 2024/25 the appointed auditors were Audit Scotland.

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

Intangible assets

During the year to 31 March 2025 there was £nil (2023/24: £nil) spent on acquiring intangible assets for **sportscotland** Lottery Fund activities.

Retained Reserves

Accumulated funds totalling £42,540k (2023/24: £45,479k) were held on the Statement of Financial Position at the end of the year.

Payment of Creditors

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

During the year ended 31 March 2025 the **sportscotland** Group paid 93% (2023/24: 96%) of all authorised invoices received within the terms of its payment policy.

The Scottish Government policy of paying 100% of valid invoices within 10 days of being received by the Finance department continues to be our target.

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

Sustainability

sportscotland is progressing its plan to move towards net zero. Both from our own corporate footprint and providing sector leadership and support.

The organisation continues to adopt a digital first approach and have introduced initiatives to reduce our carbon footprint. For example; decarbonising our car fleet, reducing our corporate office estate and investing in sustainable energy sources at our National Centres (e.g. ground source heat pump).

sportscotland continues to submit information annually to Sustainable Scotland Network on its energy usage and carbon emissions.

Forbes Dunlop
Chief Executive and Accountable Officer

THE ACCOUNTABILITY REPORT

Corporate Governance Report

Directors Report

Members of the Board

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

Member	Notes
M Campbell (Chair)	Appointed Chair 1 June 2024
M Young (Former Chair)	Resigned 31 May 2024
A Bain	
S Lindsay	
T Mistry	
H Ousta	
S Sweeney	
A Watt	
C Grant	Resigned 20 February 2025
D McDonald	Resigned 28 February 2025
S Sandilands	Resigned 28 February 2025
K U'ren	Resigned 28 February 2025
M Connolly	Appointed 1 March 2025
J Gotts	Appointed 1 March 2025
A Kerr	Appointed 1 March 2025
T McDaid	Appointed 1 March 2025
G Treasurer	Appointed 1 March 2025

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

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

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

The Chief Executive and Accountable Officer is Forbes Dunlop.

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

Personal data related incidents

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

Statement of Accountable Officer's Responsibilities

Under Article 15 of its Royal Charter for **sportscotland**, the Accountable Officer for the Population Health Directorate has directed **sportscotland** to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must show a true and fair view of the Group's state of affairs at the year end and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that **sportscotland** will continue in operation.
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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

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

Statement that accounts are fair, balanced and understandable

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

Statement as to disclosure of information to auditors

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

The Governance Statement

As Accountable Officer, I have responsibility for maintaining a sound system of internal control which supports the delivery of **sportscotland's** policies, aims and objectives, as set out by the Scottish Government Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me. Accordingly, I can confirm that adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and minimizing losses of funds were in place throughout 2024/25.

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

The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of **sportscotland's** policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The procedures have been in place throughout 2024/25 and have been reviewed during the year with a view to ensuring their effectiveness and improving their robustness.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and of the executive managers within **sportscotland** who have responsibility for the development and maintenance of the internal control framework. I receive a certificate of assurance from each executive director as part of this process. Our internal auditors' Annual Report confirmed that **sportscotland** has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

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

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

Governance Framework

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

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

The key components of the governance framework are detailed below:

sportscotland Board

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

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

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

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

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

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

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

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

Board Member Committees

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

Audit and Risk Committee

Membership of the Audit and Risk Committee consists of five non-executive Board members. The membership during the 2024/25 financial year is detailed below with their attendance record for the five meetings which took place during the financial year.

The Audit and Risk Committee receives periodic reports from the Internal Auditors concerning internal control and these are reported to the Board. **sportscotland** utilised a specialist business assurance provider, TIAA Ltd, as its internal auditors, who operate to standards defined in the *Government Internal Audit Public Sector Standards*. TIAA Ltd submits regular reports, which include an independent opinion on the adequacy and effectiveness of **sportscotland's** systems of internal control, together with recommendations for improvement. This was the first year of engagement with TIAA Ltd having been appointed to take over the role of internal auditor from Azets LLP from the start of the 2024/25 financial year.

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

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

The Audit and Risk Committee reviews the scope of the external audit and its findings. It also considers the appointment and fees of the internal auditors and discusses the planned timetable of activity and findings, as well as ensuring that any agreed recommendations are followed up by management. The Committee is responsible for monitoring compliance with accounting and governance requirements and for reviewing the annual financial statements. Following the annual review of Terms of Reference, the Committee shall take an enhanced oversight role on financial management information on behalf of Board from the start of 2025/26.

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

People Development Committee

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

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

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

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

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

Internal Control

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

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

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

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

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

Throughout 2024/25, **sportscotland's** Freedom of Information systems were fully operational and all requests received were completed within satisfactory timescales.

System and process improvements

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

Operation of key systems and processes included:

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

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

Information Security

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

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

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

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

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

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

Improving the sportscotland estate

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

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

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

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

Social, Community issues and human rights

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

Risk Management

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

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

Significant risks facing **sportscotland**:

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

Risk	Category Appetite	Mitigation
If sportscotland does not have appropriate health & safety policies and procedures in place with associated actions then we will fail to deliver our statutory requirements and expose the organisation to a risk of a serious adverse event and consequent reputational damage.	Estates, H&S Low	Development of Annual H&S Training Plan.
Reduced funding challenges local authorities' ability to deliver their plans / outcomes for sport, which may impact on sportscotland's ability to deliver its corporate strategy outcomes.	Estates, H&S Low	Opportunity to identify potential other partners to work with in local communities. Continue to monitor impact of local authority budget plans at local level through partnership managers Continue to extend the strategic support provided to all local authorities to develop fully integrated plans. Continue to maintain close ties with Scottish Government and political parties to raise awareness of impact and value of sport. Continue to work with COSLA to understand the changing Local environment with a focus on finance, people and places. Strategic review meetings with local partners. Targeted local authority inclusion plans and Active Schools and Community Sport Hubs inclusion projects through programme for government investment. Use the findings from research including facilities estates review, future of swimming facilities in Scotland and CLUK leisure trust impact to improve our understanding.

Risk appetite levels and descriptions

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

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

Remuneration and Staff Report

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

Remuneration policy

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

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

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

Salaries and Allowances (Audited)

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

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

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

SENIOR STAFF MEMBERS

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

The salary ranges are based on Full Time Equivalent salary.

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

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

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

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

Directors' Pension Entitlements (Audited)

Name	Real Increase in pension during the year	Real Increase in lump sum during the year	Total Accrued Pension	Total Accrued Lump sum	Cash equivalent transfer value 2025	Cash equivalent transfer value 2024	Real Increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
F Dunlop	2.5-5.0	n/a	45-50	n/a	187	142	45
R Steven	0-2.5	n/a	25-30	n/a	35	11	24
C Burn	0-2.5	n/a	25-30	n/a	40	13	27

Directors' full year equivalent salaries for the year are: F Dunlop £110-115k (£105-110k 2023/24), M Roberts £nil (£95-100k 2023/24), R Steven (was Barrington) £85-90k (£85-90k 2023/24) and C Burn £85-90k (£85-90k 2023/24).

Fair Pay Disclosure (Audited)

	2025	2024	Change
Range of staff remuneration	£24,871-£112,500	£23,371-£107,500	4.6 – 6.4%
Staff average (salary and allowances)	£45,663	£43,753	4.4%
Highest earning director's total remuneration	£110-115k	£105-110k	4.4%

Explanation of change:

The £1,500 increase of the lowest pay grade was in line with Scottish Government guidance on pay awards, which recommended a cash underpin of £1,500 for public sector workers who earn £25,000 or less.

The 4.4% increase in highest earning director's total remuneration is also in line with the recommended average salary increase of 3.5%.

Median (total pay and benefits)	£42,717	£41,473	£1,244
Median (salary only)	£42,717	£41,473	£1,244
Ratio between highest earning director's total remuneration and the median	2.63	2.59	0.04

Explanation of change:

The 2.9% increase in median pay relates to the pay award in the year and is in line with the recommended average salary increase of 3.5%.

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

25 th percentile (total pay and benefits)	£35,347	£33,308	£2,039
25 th percentile (salary only)	£35,347	£33,308	£2,039
Ratio between highest earning director's total remuneration and the 25 th percentile	3.18	3.23	(0.05)

Explanation of change:

The 5.8% increase in 25th percentile pay relates to the pay award of £1,500 for public sector workers who earn £25,000 or less.

The decrease in ratio between highest earning director's total remuneration and 25th percentile is minimal, as would be expected.

75 th percentile (total pay and benefits)	£50,696	£49,219	£1,477
75 th percentile (salary only)	£50,696	£49,219	£1,477
Ratio between highest earning director's total remuneration and the 75 th percentile	2.22	2.18	0.04

Explanation of change:

The 2.9% increase in 75th percentile pay relates to the pay award in the year.

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

Total pay and benefits:

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

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

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

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

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

Remuneration is paid to board members at the day rate of £191.51 for each meeting attended, along with a £95.76 payment for preparation for a board meeting. Attendance at Committee meetings is paid at the same rate.

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

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

Staff report

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

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

Total staff costs comprise (Audited)

National Lottery Distribution Fund	2025	2024
	£000	£000
Wages and salaries	4,727	4,195
National Insurance costs	533	477
Other pension costs	306	806
Aggregate staff costs	5,566	5,478

All employment contracts are within **sportscotland** and relevant amounts have been recharged to the Trust Company and Lottery accounts. The above table reflects the staff costs attributable to NL Distribution Fund only.

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

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

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

Sickness absence rate

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

People

Our people are our most valued asset at **sportscotland** and they are critical to the successful delivery of our corporate strategy, Sport For Life, and are supported through

our people strategy. The vision of our people strategy is to be a high-performing organisation with strong, inspirational leadership and an engaged, motivated, kind, healthy and supportive workforce with the knowledge and skills to achieve our organisational objectives, within an environment and culture where everyone can thrive.

Equality, Diversity and Inclusion (EDI)

sportscotland actively promotes policies for equal opportunities and to ensure non-discrimination on the grounds of any protected characteristic in accordance with the Equality Act 2010. Our commitment to inclusion underpins everything we do. We embed EDI principles in the recruitment, support and development of our people. We continue to learn more about our people's culture and experiences. We will continue to support our staff to learn more about how to make inclusive decisions and a series of EDI workshops are planned as part of our 'Sport for Life Academy' Learning and Development programme, along with a new suite of bespoke **sportscotland** EDI e-learning courses to be completed as part of induction and for further learning.

Employee Involvement

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

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

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

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

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

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

Staff policies applied during the year

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

People Management is a critical element of this. We have worked in partnership with ACAS on the design and delivery of workshops on all employee relations policies to help

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

Parliamentary Accountability and Audit Report

Regularity of expenditure

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

Scottish Government funding for 2024/25 was confirmed in the Grant-in-Aid allocation and monitoring letter from the Population Health Improvement Directorate of the Scottish Government. The letter confirms that use of resources must be in accordance with Ministerial priorities as set out in the Strategic Guidance letter (2023-2026), the agreed corporate and business plans, **sportscotland**'s framework document (which deals with corporate management matters and the application of non-lottery funds) and relevant guidance issued by the Scottish Ministers, in particular the Scottish Public Finance Manual.

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

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

National Lottery funding for 2024/25 is administered in accordance with directions received from Scottish Government, in compliance with the National Lottery etc. Act 1993, as amended by the National Lottery Act 1998.

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

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

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

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

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

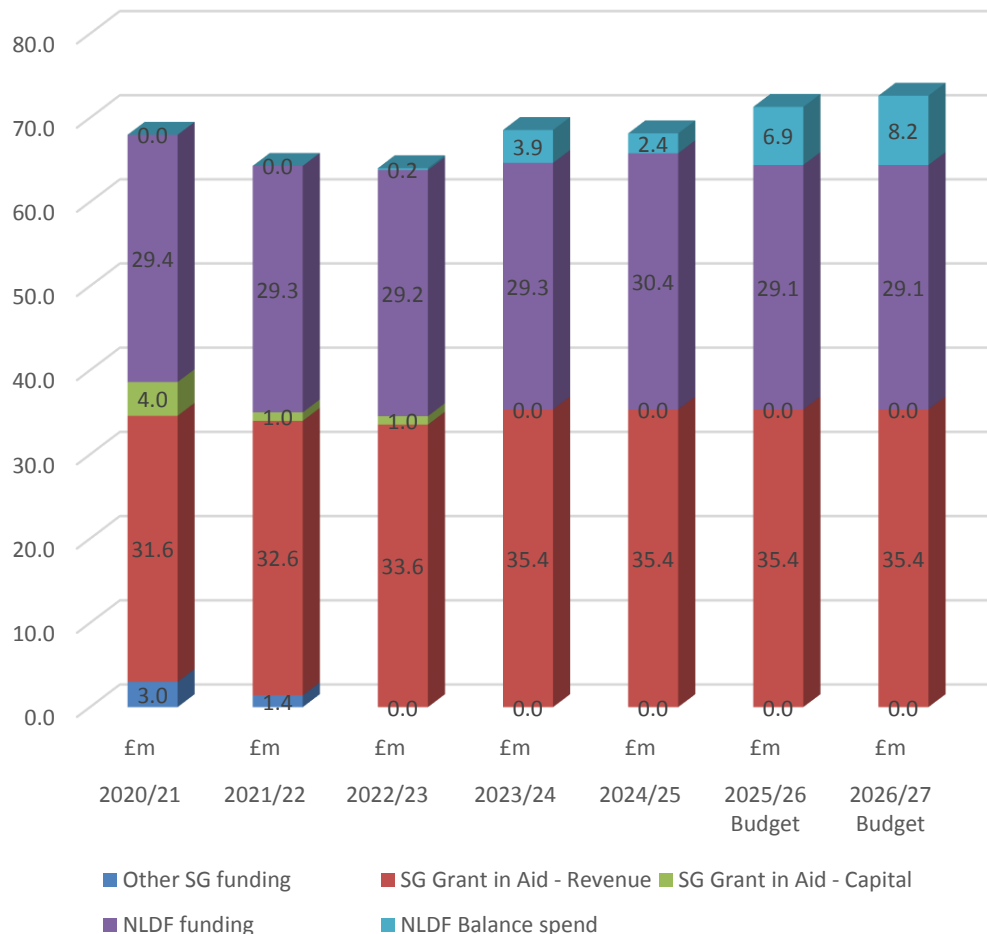
- Accounts Directions issued to **sportscotland** under Sections 35(3) of the National Lottery etc. Act 1993 direct that **sportscotland** shall prepare accounts in compliance with the accounting principles and disclosure requirements of the Government Financial Reporting Manual.

Contingent Liabilities

No contingent liabilities were recorded as at 31 March 2025.

Long-term expenditure trends

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



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

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

Forbes Dunlop
Chief Executive and Accountable Officer

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

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of sportscotland National Lottery Distribution Fund for the year ended 31 March 2025 under the National Lottery etc. Act 1993. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Reconciliation of Movement of Funds, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 16 March 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant

doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

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

Risks of material misstatement

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

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the central government sector to identify that the National Lottery etc. Act 1993 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;

- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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

Reporting on regularity of expenditure and income

Opinion on regularity

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

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

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

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

Other information

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

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Pauline Murray CPFA

Senior Audit Manager

Audit Scotland

4th Floor

102 Westport

Edinburgh

EH3 9DN

sportscotland

Lottery Fund

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

	Notes	2025 £000	2024 £000
Income			
National Lottery Fund proceeds		29,050	27,919
National Lottery Fund investment income		1,397	1,360
Interest receivable		94	104
Grants returned	2	470	237
Other operating income	2	-	23
		31,011	29,643
Expenditure			
Grants paid and committed during the year	3	22,790	20,967
Grant commitments	3	2,606	2,374
Grants de-committed	3	(462)	(673)
Staff costs	4	5,566	5,478
Depreciation	5	23	41
Other operating charges	6	3,403	3,788
		33,926	31,975
Operating surplus / (deficit) before tax		(2,921)	(2,332)
Corporation tax	7	(23)	(26)
(Decrease) / Increase in fund		(2,938)	(2,358)

All the results of the Fund relate to continuing activities.

No other gains or losses were incurred in the year.

The notes to the accounts form part of these financial statements

sportscotland **Lottery Fund**

Statement of Financial Position at 31 March 2025

	Notes	2025 £000	2024 £000
Non - current assets			
Property, plant, and equipment	8	70	54
Intangible assets	9	-	-
Total non-current assets		70	54
Current assets			
Investments – balance held in NLDF	10	47,836	50,190
Cash and cash equivalents	13	711	1,041
Trade and other receivables	11	771	571
Total current assets		49,318	51,802
Total assets		49,388	51,856
Current Liabilities			
Grants due within one year	14	4,942	5,312
Trade and other payables	12	1,906	1,065
Total current liabilities		6,848	6,377
Net current assets		42,470	45,425
Non-current assets plus net current assets		42,540	45,479
Taxpayers Equity			
General fund	15	42,540	45,479
		42,540	45,479

The Accountable Officer authorised these financial statements for issue on

Forbes Dunlop
Chief Executive and Accountable Officer

Maureen Campbell
Chair

The notes to the accounts form part of these financial statements

sportscotland

Lottery Fund

Statement of Cash Flows for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Cash flows from operating activities			
Surplus/(Deficit) on ordinary activities before tax		(2,915)	(2,332)
Adjustment for non-cash items			
Depreciation on tangible and intangible fixed assets	5	23	41
Movements in working capital			
Decrease/(Increase) in investments	10	2,354	3,921
Decrease/(Increase) in trade and other receivables	11	(200)	198
Increase/(Decrease) in trade payables	12	841	(374)
Movements in provisions			-
Increase/(Decrease) in provisions for hard commitments	14	(370)	(3,262)
Taxation Paid	7	(23)	(26)
Net cash (outflow) / inflow from operating activities		(291)	(1,834)
Cash flows from investing activities			
Purchase of tangible assets	8	(39)	(58)
Purchase of intangible assets	9	-	-
Net cash outflow from investing activities		(39)	(58)
Net (decrease) / increase in cash and cash equivalents		(330)	(1,892)
Cash and cash equivalents as at 1 April		1,041	2,933
Cash and cash equivalents as at 31 March	13	711	1,041

The notes to the accounts form part of these financial statements

sportscotland

Lottery Fund

Reconciliation of movement of funds for the year ended 31 March 2025

	Balances held in NLDF £000	Balances at SSNLDF £000	2025 Total £000	2024 Total £000
Opening balances	50,190	(4,711)	45,479	47,837
National Lottery Fund proceeds	29,049	-	29,049	27,919
National Lottery investment income	1,397	-	1,397	1,360
Drawn down in year by SSNLDF *	(32,800)	32,800	-	-
Interest on cash balances	-	94	94	104
Other operating income	-	470	470	260
Grants paid	-	(22,790)	(22,790)	(20,967)
Net grant commitment	-	(2,144)	(2,144)	(1,701)
Expenditure	-	(9,016)	(9,016)	(9,333)
	47,836	(5,297)	42,540	45,479

* SSNLDF – **sportscotland** National Lottery Distribution Fund

** NLDF – National Lottery Distribution Fund

The notes to the accounts form part of these financial statements

sportscotland Lottery Fund

Notes to the accounts for the year ended 31 March 2025

1 Accounting policies

1.1 Basis of accounting

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

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

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

Comparative figures shown are for the year to 31 March 2024.

Going Concern

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

1.2 Accruals convention

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

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

Revenue recognition

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

Hard commitments

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

Soft Commitments

These will occur when there is agreement in principle by **sportscotland** to fund a scheme. Once a formal offer and acceptance of the terms and conditions of the grant have been concluded this will become a hard commitment. The total soft commitments are shown in a note to the Statement of Financial Position. Changes in soft to hard commitments which arise after the accounting year end and before the publication of the Accounts will not be adjusting events in terms of IAS 10 (Events after the Reporting Period).

De-commitments

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

1.3 Property, plant, and equipment depreciation, revaluation and impairment

Assets with a value of less than £2,000 are not capitalised. A depreciated historical cost basis is used as a proxy for current value in existing use for fair value of assets.

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

Fixtures and fittings	5 years
Equipment	4 years

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

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

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

In accordance with International Accounting Standard 36, Impairment of Assets, assets are reviewed at the end of each accounting period for impairment. Decreases in asset values and impairments that are the result of a loss of economic value or service potential are taken to the Statement of Comprehensive Net Expenditure.

1.4 Intangible Assets

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

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

1.5 National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the **sportscotland** Lottery Fund is as shown in the accounts and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the body in respect of current and future commitments. This balance is shown as an investment on the Statement of Financial Position and is stated at market value.

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

1.6 Taxation

Taxation has been provided for by the **sportscotland** Lottery Fund. The Fund is liable to corporation tax on the bank interest received.

1.7 Post retirement benefits

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

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

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

Strathclyde Pension Fund (SPF)

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

Scottish Teachers Superannuation Scheme (STSS)

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

1.8 Leases

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

1.9 Lottery salary recharges

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

1.10 Standards that have been issued but have not yet been adopted

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

1.11 IFRS 18 Presentation and Disclosure in Financial Statements

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

2 Income

2.1 Proceeds from the National Lottery

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

2.2 Other operating income comprises:

	2025	2024
	£000	£000
Grants Returned	470	237
Miscellaneous income	-	23
	470	260

3 Grants paid and net grant commitment

3.1 Annual grants paid and committed during the year

	2025	2024
	£000	£000
Capital and Revenue	22,790	20,967

3.2 Grants paid during year

	2025	2024
	£000	£000
Paid and committed during year	22,790	20,967
Committed in previous years	2,514	4,962
	25,304	25,929

3.3 Net grant commitments

	2025	2024
	£000	£000
Hard commitments made during year	25,396	23,341
Less: amounts paid and committed during year	(22,790)	(20,967)
	2,606	2,374
Less: amounts de-committed during year	(462)	(673)
Net grant commitment at 31 March	2,144	1,701

3.4 Net grant commitments split

	2025	2024
	£000	£000
Capital programmes	2,144	1,930
Revenue	-	(229)
	2,144	1,701

3.5 Grants paid during the year by programme

3.5.1 Capital Facilities

	2025	2024
	£000	£000
Regional Facilities	1,082	2,060
Sports Facilities Programme	2,295	1,674
Total Capital Grants paid	3,377	3,734

3.5.2 Revenue Funding

	2025	2024
	£000	£000
Schools and Education	1,017	894
Clubs and Communities	17,482	17,544
Performance	3,428	3,757
Total Revenue Grants paid	21,927	22,195
Total grants paid during the year	25,304	25,929

4 Employees

4.1 Total staff costs comprise:

	2025	2024
	£000	£000
Wages and salaries	4,727	4,195
National Insurance costs	533	477
Other pension costs	306	806
Aggregate staff costs	5,566	5,478

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

- 4.2 The average staff numbers, including part-time and full-time employees, are as follows:**

	2025	2024
	Number	Number
Permanent Contracts	87	99

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

5 Total Depreciation Charge

	2025	2024
	£000	£000
Depreciation of tangible assets	23	41
Amortisation of Intangible assets	-	-
Total Depreciation	23	41

6 Other operating charges

The operating result is after charging:

	2025	2024
	£000	£000
Administration expenses	3,123	3,544
Travel and subsistence	59	72
Auditors' remuneration		
External	36	30
Internal	16	23
Operating rentals	169	119
	3,403	3,788

7 Corporation tax

	2025	2024
	£000	£000
Corporation tax	23	26

Corporation tax is due on the bank interest received in the year based on the main rate of corporation tax of 25% (2023/24: 25%) for companies with profits of £250,000 or more.

8 Property, Plant and Equipment

2025

	Total	Fixtures and Fittings	Equipment
	£000	£000	£000
Cost at 1 April	244	1	243
Additions during year	39	-	39
Disposals during year	-	-	-
Cost at 31 March	283	1	282
Aggregate depreciation at 1 April	190	1	189
Charge for the year	23	-	23
Disposals during year	-	-	-
Aggregate depreciation at 31 March	213	1	212
Net Book Value at 31 March 2025	70	-	70

2024

	Total	Fixtures and Fittings	Equipment
	£000	£000	£000
Cost at 1 April	187	1	186
Additions during year	58	-	58
Disposals during year	-	-	-
Cost at 31 March	245	1	244
Aggregate depreciation at 1 April	150	1	149
Charge for the year	41	-	41
Disposals during year	-	-	-
Aggregate depreciation at 31 March	191	1	190
Net Book Value at 31 March 2024	54	-	54

9 Intangible assets

	2025	2024
	£000	£000
Cost		
Opening balance 1 April	302	302
Additions during year	-	-
Disposals during year	-	-
Closing balance 31 March	302	302
Accumulated amortisation		
Opening balance 1 April	302	302
Charge for the year	-	-
Amortisation on disposals	-	-
Closing balance 31 March	302	302
Net book value at 31 March	-	-

10 Investments

	2025	2024
	£000	£000
National Lottery Distribution Fund	50,190	54,111
Increase/(decrease) in year	(2,354)	(3,921)
Closing Balance	47,836	50,190

The balance shown at 31 March 2025 is the final valuation from NLDF, the final audited balance for the value of investments as at 31 March 2024 was £50,190k.

11 Trade and other receivables

	2025	2024
	£000	£000
Trade debtors	22	16
Intercompany - sportscotland	-	-
Prepayments	367	12
Other Debtors	382	543
	771	571

Breakdown of Debtors by Category

	2025	2024
	£000	£000
Other Central Government Bodies	-	-
Other External Bodies	771	571
Total	771	571

12 Trade and other payables

	2025	2024
	£000	£000
Trade creditors	467	110
Corporation tax	23	26
Other Payables	11	12
Intercompany – sportscotland	728	683
Accruals and deferred income	677	234
	1,906	1,065

Breakdown of Creditors by Category

	2025	2024
	£000	£000
Other Central Government Bodies	-	-
Other External Bodies	1,906	1,065
Total	1,906	1,065

13 Cash and cash equivalents

	2025	2024
	£000	£000
Cash and bank balance at 1 April	1,041	2,933
Net cash (outflow)/inflow	(330)	(1,892)
Cash and bank balance at 31 March	711	1,041

Financial Instruments (under IFRS)

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

14 Grant Commitments

	2025	2025	2024
Capital	£000	£000	£000
Balance as at 1 April		5,155	6,006
Amounts committed during the year		3,344	3,209
Total hard commitments		8,499	9,215
Amounts paid during the year	2,400		
Amounts paid and committed during the year	977		
Amounts de-committed during the year	223		
		3,600	4,060
Hard capital commitments at 31 March		4,899	5,155
	2025	2025	2024
Revenue	£000	£000	£000
Balance as at 1 April		157	2,568
Amounts committed during the year		22,052	20,132
Total hard commitments		22,210	22,700
Amounts paid during the year	115		
Amounts paid and committed during the year	21,812		
Amounts de-committed during the year	240		
		22,167	22,542
Hard revenue commitments at 31 March		43	157
Total hard commitments at 31 March		4,942	5,312

At 31 March 2025 a total of £4,942k (2023/24: £5,312k) is payable within one year. No other amounts are committed.

15 General Fund

	2025	2024
Represented by:	£000	£000
Balance as at 1 April	45,479	47,837
Change in fund for the year	(2,939)	(2,358)
Balance as at 31 March	42,540	45,479

16 Soft capital grant commitments

	2025	2025	2024
	£000	£000	£000
Balance as at 1 April		327	175
Amounts committed during the year		368	327
Total soft commitments		695	502
Amounts transferred to hard commitments	(86)		
Amount de-committed during the year	(173)		
		(258)	(175)
Soft commitments at 31 March		437	327

17 Related party transactions

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

All transactions with related parties are conducted at arm's length.

During the year **sportscotland** recharged salaries of £5,595k (2024: £5,478k). Within creditors there is an amount of £728k due to **sportscotland** (2024: £683k).

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

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

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

	2025	2024
	£000	£000
Awards for All (Big Lottery Fund)	512	1,043

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

There were no significant related party transactions with associated organisations during the year to 31 March 2025. Details of awards made to governing bodies and amounts paid to individual sports is shown on the **sportscotland** website at sportscotland.org.uk/about-us/investment-reporting/.

18 Losses

The **sportscotland** Lottery Fund had losses totalling £nil (2024: £nil) during the year.

Accounts Direction by The Scottish Ministers

The Scottish Ministers, in pursuance of section 35(3) of the National Lottery etc Act 1993, hereby give the following direction.

1. **sportscotland** shall prepare accounts for the financial year ended 31 March 2015 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for the financial year for which the accounts are being prepared as well as any other guidance which Treasury may issue from time to time in respect of accounts which are required to give a true and fair view.
2. The accounts shall be prepared so as to:
 - (a) Give a true and fair view of the financial position as at 31 March 2015 and subsequent financial year-ends, and of the comprehensive income and expenditure, cash flows for the financial year then ended; and
 - (b) Provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
 - (c) Follow the additional accounting and disclosure requirements set out in Annex A.
3. This Direction applies to the Lottery distribution activities of **sportscotland**. The direction given in April 2010 is revoked.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. Any material departure from the FReM should be discussed with HM Treasury.

Signed by the authority of the Scottish Ministers



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

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



Peter Mills
27 July 2015
Head of Finance Special Projects
Department for Culture, Media and Sport

ANNEX A

Additional Accounting and Disclosure Requirements

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

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

"Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to **sportscotland** is as shown in the Accounts and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by **sportscotland** in respect of current and future commitments."

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

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

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

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

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

July 2015

Pam Hill

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