The story of the year 2020-21 starts with a huge THANK YOU...

To our COMMUNITY CLUB VOLUNTEERS who rose to the challenge to restart the game safely – giving confidence to all those returning.

To our GOVERNMENT PARTNERS who recognised the impact on the game and stepped in to provide financial support to help the Scottish game survive and recover quickly.

To our FANS who stayed with us holding onto season tickets despite uncertain schedules and supported our teams and clubs over the past year.

To our PLAYERS and the WIDER TEAM behind the scenes whose resilience, flexibility and personal contribution has made a big difference.

To our SPONSORS and COMMERCIAL PARTNERS who stood with us, showed amazing creativity and flexibility and continue to play a pivotal role in driving rugby in Scotland forward.

To our RUGBY PLAYERS SCOTLAND (RPS) for their pragmatic and professional approach.

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To our RUGBY PLAYERS SCOTLAND (RPS) for their pragmatic and professional approach.
There are so many good news stories to highlight our commitment to clubs, just one example being the Kick Start grant scheme, whereby clubs and societies could apply for up to £7,500 in grant funding to build towards the reintroduction of rugby across our communities.

Away from the club game, I must add how heartening it was to see our men’s international side triumph at Twickenham and Paris, helping to gain British & Irish Lions selection for no fewer than eight Scots, the most in 32 years.

And with Scottish Rugby’s new strategy being introduced, to concentrate heavily on the further advancement in the women’s game, I believe we are in a healthy position as a rugby family to thrive once more.

Off the pitch, the Council’s Standing Committee on Governance, set up last year, is working on a new structure which will clearly define roles and responsibilities across the entirety of Scottish Rugby.

£4.6m Club Rugby Government Grant Funding
£3.1m Club Rugby Government Grant Funding
£1m Club Support and Rugby Development
£500k Return to Rugby Fund

Find out more about this breakdown on page 45 of the Annual Report >>

It will be modern and fit for purpose as we continue to work within our strong corporate governance principles. I will be sharing detail of the Committee’s work throughout this summer.

I am proud to pay tribute to the hard work delivered by your Scottish Rugby Council members, who have attended almost double the amount of meetings in a normal year, and all Scottish Rugby’s employees, whether at BT Murrayfield or in the regions. Their commitment and willingness to go the extra mile throughout the pandemic has been pivotal in our combined drive to get the game back on track across the country.

We are grateful to both Scottish and UK governments for the support they have shown our sport during such a turbulent period; their endeavours in helping rugby reach the stage we’re at ahead of a resumption have been crucial.

But I’m sure, most of all, like me, you’re champing at the bit to have rugby back at your club. How we’ve missed it and how we’re ready to make up for lost time!

Ian Barr
President, Scottish Rugby
The strapline of Wellbeing, Women and Winning – makes clear, and as Scottish Rugby's new strategy for 2021-2024 – under that objective at its core.

The campaign, entitled “Everyone’s Game” is now underway with volunteers or supporters and a wide-reaching marketing the game or discover it anew, whether as players, match officials, our clubs, alongside all at Scottish Rugby, are determined to harness.

In many ways, the simplest way to begin and also the most genuine and heartfelt is to say thank you.

It’s no hyperbole to reflect that without the help and strong desire to “do our bit” from so many people – our clubs, our players, our employees, our supporters, our sponsors, our Government, our volunteers – that coronavirus could have wrought irreparable damage on the very fabric of our game in Scotland.

As it is, too many of us know someone from our communities whose life has been claimed by the pandemic and, once again, I extend both my personal and Scottish Rugby’s sincere condolences to those who grieve.

As I write, the indications are that the vast majority of the restrictions which have rendered rugby off limits in our communities throughout Scotland since March 2020, are due to be lifted by Government in August.

The pandemic has taught us to take nothing for granted but the sheer joy at looking ahead to returning to competitive rugby action in the 2021-22 season is a powerful emotion and one that everyone is welcome in our game in all its facets, whether that’s full contact, Tartan Touch, Walking Rugby or Mixed Ability Rugby to give but some examples.

Financial support from the Scottish Government – for which we are very grateful – has been pivotal in allowing Scottish Rugby to navigate Covid via our four-stage plan: Respond; Restart; Recover; and Rebuild.

The past season, that we have faced and come through together, has tested our tenacity and resolve as never before. Where do you start in looking back at season 2020-21 when, for the vast majority, rugby, like many other facets of life affected by the pandemic, was a digital experience or resolved around a Zoom call?

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Financial support from the Scottish Government – for which we are very grateful – has been pivotal in allowing Scottish Rugby to navigate Covid via our four-stage plan: Respond; Restart; Recover; and Rebuild.
It’s been a while! After some 538 days, we have a date for the resumption of competitive club rugby in Scotland.

We can all now share the excitement, the sense of celebration almost, that after all the trials and tribulations associated with the pandemic and how our very future was shrouded with uncertainty, we now have a date for the resumption of club rugby. Saturday 4 September 2021 asterisked in our calendars. The day when the rugby community throughout Scotland returns to real on the field action. Fantastical!

My sincere thanks to everyone associated with the game in Scotland for the Herculean effort that continues apace to get us back to playing, refereeing, helping or watching our game, or, indeed to welcoming newcomers to our sport.

Within the course of the year ended 31 May 2021, a number of notable factors have contributed to our financial results. These include ongoing trading and operations, addressing the continuing challenges presented by the Covid-19 pandemic, the benefits of the investment in the Guinness PRO14 tournament by CVC and the receipt of government support funds, which Scottish Rugby and the game gratefully acknowledges.

The financial results for the year may look counter-intuitive, during a period in which the effects of the pandemic have resulted in exceptionally challenging trading conditions. Through external income, together with Government support, the challenging trading position has been offset, and has led to an overall surplus for the year at a level of £10.5m. This consisted of an operating surplus of £1.5m (in which £3.3m of income related to the conclusion of the 2020 Guinness Six Nations Championship), and net interest cost of £0.2m, together with income of £9.85m in relation to the CVC investment in the PRO14 tournament. Also included within the operating surplus is £13.5m of the £15m Scottish Government grant funding. The £1.5m balance will appear in next year’s figures, during which it will directly fuel further Club Support expenditure initiatives; the Return to Rugby fund and the Club Recovery Fund.

No crowds at National Men’s team matches at BT Murrayfield meant no income, an aspect mirrored in having no professional team ticket revenue. However, the investment income secured through the CVC Guinness PRO14 deal has been timely indeed, given the role Scottish Rugby played in securing this partnership. Our cash balance was also bolstered through a £5m advance from World Rugby.

In summary, therefore, the cash position is healthy, however the underlying trading position remains challenging, and work will continue to build back towards the £61.1m total turnover figure and the underlying trading position remained challenging, and work will continue to build back towards the £61.1m total turnover figure achieved 2018-19 season, our last full year before the pandemic struck.

Our new 2021-24 Strategy was launched in May with the themes of ‘Wellbeing, Woman, Winning’ at its core and helps us move into the recovery and rebuilding stages of our four stage Covid response plan.

It’s the result of a great deal of collaboration and consultation with more to come and is designed to help us emerge from the pandemic in the best shape possible, directing funding that is accrued in the main by our national teams and professional sides and cascading that through our FOSROC Scottish Rugby Academy and FOSROC Super6 programmes, and on to clubs and schools, the lifeline of future talent in our game. Our new strategic approach also demonstrates our commitment to growing the game in Scotland, getting more people to pull on their boots and take to the pitch, in a more diverse and inclusive manner than ever before. Rugby is a game for everyone and at a time where mental and physical wellbeing have never been more apparent, it’s so important to let people know that clubhouses are there to embrace one and all.

In the absence of club rugby for the 2020/21 season, our international teams were fortunate to compete in their various championships, watched by viewers in record numbers.

In the Guinness Six Nations, we produced two historic away victories at Twickenham and in Paris. Results that had not been achieved since 1983 and 1999 respectively, as our young squad displayed qualities that provide genuine optimism for the season to come.

Indeed, those stellar performances undoubtedly contributed to eight Scots being named in the initial British & Irish Lions squad to tour South Africa - a number that we haven’t seen in over 30 years. Good results are of course in part down to excellent coaching, and we are equally proud of our head coach Gregor Townsend, as well as Steve Tandy and Gaz Vaughan for their own roles in Warren Gatland’s backroom staff.

Our Women’s national team were once more hamstrung by the events of Covid-19 and the upheaval associated with games being postponed and rearranged, with the Six Nations taking place in April under a temporary three-match, pool stage format.

The players produced an excellent performance in their final fixture to defeat Wales and secure fifth place. The squad continues to develop under Bryan Easson. With the delayed Rugby World Cup 2021 qualification still to be determined, we know that the opportunity to reach that tournament in New Zealand next year is still attainable.

The pandemic hit Scotland as much as any other of our teams given the travel involved in the HSBC World Sevens Series, with no events staged during the 2020/21 campaign and any resumption of the series still subject to the easing of global restrictions. However, five Scots were named in Team GB 7s squads ahead of the delayed Olympic Games in Tokyo, and we are very proud that Hannah Smith, Robbie Fergusson, Max McFarland, Ross McCann and Alec Coombes gained selection, with Lisa Thomson on standby, and Scott Forrest acting as Head Coach for the Women’s squad. Referees Hollie Davidson and Sam Grove-White also represented Scotland when they realised their own Olympic dream in Japan.

Our professional club campaigns were also heavily disrupted by Covid-19. As well as the Guinness PRO14 competition, our teams were involved in the end-of-season PRO14 Rainbow Cup, PRO14’s replacement tournament. The United Rugby Championship will launch in late September and will feature the four strongest South African franchises.

Both Edinburgh Rugby and Glasgow Warriors experienced tough league and European seasons. We underperformed and we are clear that improvements need to be made in order for our teams to compete in the new high-profile tournament.

We also genuinely appreciate the work of Rugby Players Scotland for their patience and professionalism during the season past, as well as our sponsor family, without whom the effects of the Covid-19 pandemic would have been far more telling.

If the last 16 months has taught us anything, it’s that the rugby community in Scotland is one that endures through the toughest of times. To say that the values and togetherness of rugby people has been remarkable would be to almost downplay the resilience of those associated with clubs across the country. It really has been humbling to see at every level.

Finally, I would like to thank our people across Scottish Rugby, on field and off field alike, for their hard work, loyalty and professionalism over the last 16 months. We are determined to come back in 21/22 as a stronger, more resilient business better placed to serve the game in Scotland.

Mark Dodson
Chief Executive, Scottish Rugby
The damaging effects of the coronavirus pandemic have been acutely felt the world over, and in these extraordinary times, Scottish Rugby is grateful for the support shown by its current partners and those that have recently joined its commercial family.

We have, of course, not been able to enjoy welcoming tens of thousands of supporters to BT Murrayfield over the course of the past 18 months, our last attended home international coming just at the onset of lockdown in March 2020, when we hosted France during the 2020 Guinness Six Nations.

Whilst that feels like an eternity, Scottish Rugby is proud of the commitment displayed by our partner brands associating themselves with us and backed by their support, we have retained and actually managed to attract new businesses which wish to be associated with the game in Scotland.

BT, one of our principal partners, extended its support in April of this year, which will see the partnership reach 10 years, having first come on board in 2014. This new three-year deal with BT, which retained the naming rights to the national stadium, will continue to see its logo on the Scotland Men national team jersey, which will be unveiled in time for the new international season. BT will also see its logo adorned on the kit of Scotland Women and the Scotland 7s team and official Edinburgh Rugby car partner, its logo displayed on the capital side’s kit for 2021/22.

Vital commercial strength has continued at Scottish Rugby, with several existing official partners renewing their partnerships. Scottish Power Energy Networks (SPEN) has continued to invest in Women’s rugby by renewing its deal as principal partner of the Scotland Women’s team; FOSROC renewed its support of the Academies by signing up for a further three years to 2024; and Royal Bank of Scotland extended its partnership for a further three years to 2023, showcasing a commitment to clubs across Scotland.

We’re also pleased to welcome Peter Vardy Group back to our partner brands and those that have recently joined its Commercial family. This new three-year deal with BT, one of our principal partners, extended its support in April of 2021, in a deal which will see the Peter Vardy Group logo displayed on the Scotland Men’s national team jersey, which retained the naming rights to the national stadium, will first come on board in 2014. This new three-year deal with BT, which retained the naming rights to the national stadium, will continue to see its logo on the Scotland Men’s national team jersey, which will be unveiled in time for the new international season. BT will also see its logo adorned on the kit of Scotland Women and the Scotland 7s team for the upcoming campaign, highlighting its commitment to rugby across multiple platforms in Scotland.

In these most turbulent of times, Scottish Rugby is extremely grateful for the continued support of its key partners, both existing and new, as the country plots its way out of the Covid-19 pandemic and the logistical challenges born from it. With BT Murrayfield set once more to welcome spectators for this autumn’s exciting November Test series against South Africa, Australia, Japan and Tonga, the stage is set to grow As One once more.

In February 2021, work was completed on Edinburgh Rugby’s new stadium, the £5.7million project affording the capital club their own home, with a near-8,000 capacity. The new stadium will host Edinburgh Rugby from the start of the 2021/22 season and will also be open to applications for usage from other sports teams, the wider community and non-sporting events.

We are also pleased to welcome Peter Vardy Group back to our sponsor family, a sponsor we were thrilled to announce as another principal partner, also in April 2021, in a deal which will see the Scottish-run automotive business become our new front of shirt sponsor for the Scotland Men’s national team, commencing this summer.

Peter Vardy Group will also become back-of-shirt sponsor for the Scotland 7s team and official Edinburgh Rugby car partner, its logo displayed on the capital side’s kit for 2021/22.

Given a challenging climate, and the inability to have supporters at our international games, the appetite of fans the world over to view and engage with our content has never been better received. Through the Autumn Nations Cup at the tail end of 2020, into the Guinness Six Nations and Women’s Six Nations of 2021, supporters have continued to follow Scotland on television and across our own digital channels.
In March 2020, when like the rest of the country we packed up our desks and headed home to work, few would have believed the difficulties and logistical problems we would encounter over the next year. It’s been the most challenging of times for everyone, but the adaptability demonstrated by our people has been remarkable.

We immediately had to respond to this situation by organising ourselves to all work from home. Flexibility and changed ways of working became an important focus for us. For many of our employees we had to utilise the government furlough scheme, a concept that was completely unfamiliar to anyone. A significant proportion of our people and players accepted reduced salaries during 2020/21 to help mitigate the huge financial impact and loss of revenue for our business, for which we are immensely grateful.

During our reset phase we have considered in detail our approach to wellbeing, for all our people and players and you will see this reflected as a key focus in our strategy for 2021-24.

Building on the theme of wellbeing, our focus on inclusion and diversity has never been more important. We have been moving our thinking forward in this area through development workshops with our Board, Council, Executive Team and Strategic Leadership Group, to help us think about the ways we behave as leaders to drive a mindset of inclusion across all areas of Scottish Rugby.

We are working closely with Rugby Players Scotland on enhancing our rugby for life programme for our professional players, while also looking at additional support for the community game. At grassroots level, safeguarding (click here) our younger players remains a priority. From learning best practices through other sports, we have identified far-reaching procedures and protocols to ensure these are built into our approach.

Our Scottish Rugby strategy (click here) was launched in June internally with a live video presentation from our CEO to provide a direction of travel for 2021-24, so that our people understand how we will recover and rebuild our business through working together. It is very important to us that everyone understands the part they play individually and collectively to contribute to the future success of Scottish Rugby and how they will be engaged, developed and rewarded. We will be running workshops later in the summer to engage our people with what the strategy means for them individually and for the teams they are part of.

We have an ambition that everyone in Scottish Rugby has purpose, feels valued and is connected to their colleagues. This summarises our approach to how we will engage, motivate, and develop our people as we move into 2021/22.

Rugby for Life

Since its launch in March 2018, Scottish Rugby’s Rugby for Life programme has been helping players of all stages to create a balance between rugby and life.

The programme takes a proactive approach to player support through education, awareness and hands-on experience to enable players to develop their mental wellbeing, resilience and help in achieving a healthy sport/life balance as they transition into, or out of, professional rugby.

Due to the protocols in place in light of the Covid-19 pandemic, Rugby for Life has adapted to support players remotely throughout the past year, with online workshops held on all manner of topics, designed to offer support to our players.

Every year it’s great to hear the success of players as they transition through their professional rugby career and on to other adventures. After nine years of balancing full-time rugby and a part-time degree, Scotland 7s and Edinburgh Rugby’s Jamie Fardale achieved his First Class Honours degree in Business Management from Napier University, his commitment shining through as much as his flair on the pitch.

Jason Baggott (ex-Academy & Edinburgh Rugby) was also accepted into the St. James’ Place Academy to begin his career in financial planning and wealth management.

Scotland international Sarah Bonar completed her first stage of officer training at RAF College Cranwell and is now in RAF Police training. No doubt drawing on her rugby prowess, Sarah won the all-round Physical Education award during her training! Sarah, who has won 22 caps for Scotland, was balancing rugby and her career in education. The Rugby for Life team has assisted with her transition to the RAF, and Scottish Rugby is delighted to congratulate Sarah on her recent passing out as an RAF officer.

Additionally, Jade Konkel, Scottish Rugby’s first contracted female player, has joined the London Fire service and completed her initial training. Both she and Sarah Bonar will continue with the Scotland Women’s programme and we look forward to seeing them involved at some point in the future.

For many of our Scotland Women squad, a balance between rugby and life is crucial, given that not all players have full-time rugby careers. The Rugby for Life Player Liaison for the Women’s national team supports the players with their schedules to make their work/study/training balance better, with the difficulties surrounding Covid-19 bringing additional challenges in the past year.

Rugby for Life supports the holistic development of our players in ensuring that when their playing days are over, they are best equipped to make the transition to their next life and career phase.
With the impact of the coronavirus pandemic putting paid to any form of competitive domestic rugby during the 2020/21 season, the Scottish club rugby landscape took on a very different role, although a playing hiatus was unable to dampen the spirits of the communities who bind the sport across the country.

Scottish Rugby set as a priority the need to support each and every club in their response to Covid-19 hardships, implementing its 4-point Respond, Reset, Recover and Rebuild plan through programmes such as the Return to Rugby fund and Supporting Clubs Investment Programme (SCIP), as well as multiple webinars and e-learning courses.

As rugby players across Scotland started to return to training, each club was asked to nominate a Covid-19 Safety Co-ordinator to oversee public health and safety measures across the club, ensuring that the club is operating to the Scottish Government and Scottish Rugby guidelines.

Across Scotland, there are 173 Covid-19 Safety Co-ordinators within clubs, playing a critical role in keeping our clubs and communities safe. This pioneering role helped to influence sportscotland guidance, who encouraged similar practice across other Scottish sports.

Scottish Rugby is extremely proud of its member clubs for the way they have tackled such a challenging period, and the efforts of our Rugby Development people, to stay on top of all Return to Rugby programmes and all that entails, has been one of the true success stories as we build towards a bright future – and lots of club rugby!

“The club game is the heart of rugby in Scotland. When appointed the Director of Rugby Development in 2017 I wanted to change the model of delivery for the game to make sure that we put the clubs at the centre of what we were trying to achieve in the game and to support vibrant rugby communities where we could work with clubs in an open, collaborative and respectful way. The Chief Executive and Board were very supportive of this approach which was fantastic.

“To support this change we created five regions with a dedicated team lead by a Regional Director who would be the main point of contact for the clubs, we also decentralised the decision making from BT Murrayfield into the regions which would ensure clubs, schools and other stakeholders could determine what the priorities for the game would be in their regions and it wasn’t a ‘one size fits all’ approach.

“Once the Rugby Development strategy for the community game was established clubs and schools were invited to contribute to creating the regional strategies and there were many great ideas which came from clubs and schools to support the establishment of the regional ‘Plan on a page’.

“In this year’s Annual Report we believe that it is more important than ever to focus on sharing and highlighting the variety of ways that clubs and schools have contributed strongly to their local communities. This has been achieved through a range of activities such as facility developments, community outreach initiatives, diversity and inclusion programmes and development officer led sessions – both virtual and in person. It has been a year like no other, but our rugby communities have remained strong and stable, providing support and inspiration in equal measures.”

Sheila Begbie
Outgoing Director of Rugby Development
“Despite the lack of on-field activity, this season the Caledonian Midlands region has been busier than ever – players and volunteers alike have shone brightly by supporting their communities through the pandemic and raising funds for local charities.

“As well as supporting others, those involved in the game have also been there for each other. Our clubs and schools have been so innovative with the ways in which they have maintained player and volunteer engagement throughout this difficult time, and they have used the last year to prepare, plan and update club development plans. I cannot thank or praise them enough for all they have achieved.”

Steve Turnbull
Regional Director for Caledonia Midlands

Departmental actions
The last year has created a unique opportunity for the Rugby Development team in Caledonia Midlands to create a Development Officer network, to support the 12 Development Officers (DOs) in the region (all with Partnership Agreements with clubs, schools, universities and local authorities) to adapt and overcome the challenge of engaging and developing people within our communities through rugby, with large spells of limited face to face contact.

DOs in the network helped to action:
• In collaboration with Active Schools, a series of 15 skills videos were sent to 15 primary schools to encourage individual skill challenges during lockdown and school closures.
• The delivery of more than 200 high school curricular sessions (from September - December) with focus on school to club transition for over 180 pupils. This programme saw increase in participation of 43% from school pupils to weekly club sessions.
• Launch of the School of Rugby Podcast to keep players engaged in rugby. Pupils from Larbert High School led this podcast and interviewed guests who were former Olympians, Scottish Rugby players (past and present) and Commonwealth athletes. This programme, whilst keeping players engaged in rugby also improved confidence levels which transferred to other aspects of school life.

Harris FP RFC – Equality, Diversity & Inclusion
Harris Rugby Club have been championing the objective of creating an inclusive, diverse and welcoming environment for all, and in the last year have worked hard to further embed this ethos into the management and day-to-day running of their club.

To that end, the club saw its first openly gay member elected as president, (Keith Macleod) and its first female committee member (Grace Tonner) elected as Wellbeing Officer.

Strathendrick RFC – Changing Lives Through Sport and Physical Activity
This last year has shown us all just how unpredictable life can be. For Strathendrick Rugby Club, this sentiment has never been more true, as in separate incidents entirely unrelated to rugby, two of the club’s players suffered life-changing brain injuries.

Eager to support the individuals, their families and others impacted by brain injuries, the club sprang into action with a number of fundraising activities.

Through fitness activities and raffles, the club raised over £20,000 which has been split between the Brain Tumour Cancer Research, The Disabilities Trust (Graham Anderson House) and also helped to pay for the build of an independent living unit for one of the players.

Dundee Valkyries – Women’s development
Just two years from their formation, Dundee Valkyries have made great strides in preparing to make their competitive bow, having seen their debut season kicked into touch by the global Covid-19 pandemic.

Despite not being able to make waves on the pitch, the Valkyries undertook numerous community initiatives, including raising funds for Doddie Aid in January of this year and taking part in a mileage challenge the month after, as they displayed the type of team spirit that will stand them in perfect stead ahead of the 2021/22 season, where the club will operate in the Tennent’s Women’s East League.
With our sport as we know it being on hold for over a year, it has undoubtedly been a hard time. And yet still, players, volunteers and members of the rugby community across the Caledonia North region have been a beacon of light during this dark time.

“We feel very lucky to have so many incredible individuals and groups across the region who are committed to creating inclusive cultures, and promoting the positive values and behaviours of our sport both in on-field and off-field activity.”

Rudi Urbach
Regional Director for Caledonia North

Departmental actions
Over the last year of disruption, as a collective, Scottish Rugby’s people in Caledonia North have worked closely with clubs and schools to deliver targeted virtual support.

The team’s first initiative was the ‘President’s Coffee Break’, held on the first Friday of every month via Zoom. Rudi and Club Presidents and Chairpersons would meet virtually for a cup of tea or coffee, and share best practices and good news stories from their club.

They also created the ‘Walk to Talk’ campaign, delivered via the region’s Facebook Group. The campaign encouraged club members to safely reconnect outdoors, in line with government guidelines. The campaign saw the Facebook Group flooded with photos of members across the region taking part and sharing what they got out of taking part.

Read more about Caledonia North clubs on scottishrugby.org:
ROSS SUTHERLAND >>
FRASERBURGH >>
TURRIFF >>
DEESIDE >>

Shetland RFC – Inclusion & Diversity

By day, Charis Scott works as an Occupational Therapist at NHS Shetland and by night, she’s usually found with a rugby ball in hand at Shetland RFC based in Lerwick.

Fusing her love of the sport and her passion for helping others overcome challenges with their health, Charis created a pioneering project using rugby to support young children with neurodevelopmental differences with physical and social engagement.

The project has since received funding from NES AHP Fellowship Scheme, and is run in partnership with Shetland RFC, NHS Shetland, Active Schools Scotland and Ability Shetland.

The team were quick to adapt the delivery of their project as a result of the coronavirus restrictions by initially creating and delivering boxes to 40 participating families each with a ball, cone, pictures of the pitch, equipment at the pitch, accompanied by photos of the coaches and a social story about training.

Caithness RFC

For clubs like Caithness, who already have strong community ties, this last year has presented a chance to develop an even greater united front.

At the height of the pandemic, Thurso Community Development Trust reached out to the club seeking assistance to set up a foodbank.

The club was initially able to provide the Trust with a temporary location to store and later distribute surplus food and essentials around those in the community who needed it most. Following the success and demand for his service, the club subsequently built a ‘community sharing shed’ in the town, which the Trust continues to operate its foodbank service from.

Aberdeen Grammar RFC

Aberdeen Grammar, founded in 1893, has a long and extensive history not only in the actual performance of the teams but of the community built around the club.

Determined not to let this history fall by the wayside, the club set out on a mammoth task of creating a digital archive which could then be used for a Sporting Memories project to support older people and those suffering with dementia build cognitive resilience.

After trawling through decades of dusty folders, in February 2021, the club finally recovered every Committee manual extending back to 1893 including accounts, photographs and numerous letters. Their archive, which now spans over a thousand pages, also includes photographs of almost every 1st XV to ever have represented the club since the 19th century, along with a number of 2nd XV images.

A number of records depicting social occasions were also uncovered in written journals which include testimonies from players taken during the Second World War.
"We often say in sport that volunteers are the lifeblood of the game. This year, that hasn’t just been a saying. Rugby volunteers, players and committee members across the East region have shown with their actions, commitment, determination and inspiring acts of kindness just how true that is. The ways in which members of our community have innovated to keep rugby at the forefront of people’s minds during this difficult year has been exemplary. Despite the odds being stacked against our game, many of our clubs have been able to regroup and restructure their ways of working, enabling them to deliver more rugby to more people, especially girls.”

David Drummond
Regional Director for East

Departmental actions
The Rugby Development team in the East launched ‘Take-Over Tuesday’ on the region’s Facebook group, which saw club officials invited to star in guest interviews with David Drummond to take over the channel for the day.

Take Over Tuesday gave clubs the chance to share uplifting stories, best practice and other ideas to inspire other clubs in the region during lockdown.

Gala RFC
Whilst it would be easy to become deflated by the restrictions Covid-19 placed on our game, Gala RFC decided to focus on what they could do rather than what they could not.

The club was one of eight sporting clubs in the region to take part in the Radio Borders Cash for Kids Sports Challenge which saw the club involved in a 12-hour touch rugby match, a 12-hour Cycle then, and a carwash which raised over £3,500. The 12-hour touch rugby match saw more than 650 tries scored by more than 200 players representing all age-groups and sections from senior men’s team, Gala Wanderers (U18 boys), Gala Vixens (girls) and Mini Maroons.

“One of the biggest positives from the event was the whole club working together, coming under one banner. We believe this helped to really cement our values as a club. Not only have we made a huge difference to disadvantaged children in the Borders, but we have made these unprecedented times a little bit easier for our club.” said Craig Dods, Gala Rugby Development Officer

Heriot’s Rugby – Mental Wellbeing
Recognising the importance of supporting club members with their mental wellbeing, this year Heriot’s Rugby appointed Andrew Kelly as the point of contact for Mental Health First Aid within the club. Andrew’s appointment and subsequent training in which he received a Level 6 Award Scotland qualification, comes following the club’s commitment in developing a Mental Wellbeing policy.

Since taking up post, Andrew has been supporting players, men and women, at all levels across the club in providing support by; encouraging conversations between members to destigmatise mental health, signposting professional support and sharing Scottish Rugby’s Mental Wellbeing e-learning course.

Although still in the early stages, the club hope that having a new policy in place and an ongoing system to identify and support players at Goldenacre is a step in the right direction.

North Berwick RFC
North Berwick Rugby Club have long had an interest in the girls’ and women’s game but has previously struggled to drive and deliver a successful programme due to a lack of volunteer support.

However, the pandemic allowed the club to reassess how they deliver rugby to this demographic and were able to implement a new programme which has seen participation rise from eight girls up to 44, a newly founded senior women’s side, delivered by four new female coaches. Much of the success has been rooted in delivering rugby across every school in the North Berwick locality and establishing relationships within the wider school network, and by positioning the social aspects of the sport to attract senior women’s players.

The future for girls and women at North Berwick looks bright, as the girls look to have increased representation in girls’ series in the upcoming season, with a clear route of progression into the senior team, who will be involved in the development league next season.

Read more about East clubs on scottishrugby.org:
QM U >>
MELROSE >>
BROUGHTON LADIES >>
DUNS >>
HADDINGTON >>
LEITH, TRINITY ACCIES, BROUGHTON & BATS RUGBY >>
HAWICK >>

Scottish Rugby | Annual Report 2020-21
20 21
LEADERSHIP . ENGAGEMENT . ACHIEVEMENT . ENJOYMENT . RESPECT
It would have been so easy for clubs to admit defeat during the course of the last year, yet instead they have rallied, ever determined to improve their offering to members and the wider community for the upcoming season and beyond.

“The pandemic has been particularly difficult for the Glasgow North region, with government restrictions being in place for greater lengths of time during parts of the year. I cannot praise and thank our clubs enough for their unwavering patience during this time.”

Peter Burgon
Regional Director for Glasgow North

Departmental actions

If the pandemic has taught us anything, it’s the power of collaboration. Rugby Development’s Glasgow North team certainly helped to action a great deal of collaboration within the region by hosting regular Club Forums via Zoom.

The forums enabled clubs from Argyll & Bute and the Dunbartonshires, the Lanarkshires, Glasgow City and East Renfrewshire to talk to one another, sharing challenges and solutions. For many clubs in the region, this was the first time they had worked together, so it was a fantastic chance for all to share their stories and experiences.

Following the success of these forums, the Glasgow North team will begin delivering sessions for specific local authority rugby development groups to support them into the upcoming season.

Read more about Glasgow North clubs on scottishrugby.org:

Hillhead / Jordanhill >>
Dalziel >>
Cartha QP >>
Cartha QP >>

West of Scotland FC

Our clubs strive to be open, inclusive and welcoming spaces for all, and this culture is no different at West of Scotland FC. With covid restrictions limiting on field activity, West of Scotland took to review and re-affirm their commitment to Equality, Inclusion and Diversity practices.

The club have long been proud of their investment in the women’s and girls’ game. There is good, though not quite equal, female representation on the club’s general committee and in recent times, the Women’s 1st XV have benefited from significant investment into coaching support and player development and retention. To bolster this outfit, the club set about creating frameworks to develop relationships with the local secondary schools to help engage girls in the sport and create a new pathway for progression to the senior game.

In a bid to reach more people and deepen their inclusivity, the club has also worked on developing its offering of touch rugby to enable those who wish to engage with the sport in a non-contact capacity to do so. In the months preceding their covid-safe launch, demand has far exceeded capacity and planning within the club is underway to ensure everyone can be accommodated once covid restrictions further relax.

Hamilton Bulls RFC

In the Covid-imposed absence of rugby, Hamilton Bulls Development Officer, Steven Meenagh, identified the opportunity to continue to support and develop coaches. Steven felt that player retention would be heavily influenced by coach retention, development and support.

Steven went on to launch a wide range of CPD opportunities including; digital sessions with guest coaches school, club and international rugby levels of the game, the creation of a digital coaching hub which offered coaches a space to share resources, discuss technical elements and bounce ideas off one another.

To further enhance coach development and player engagement, Steven began delivering individual positional and skill-specific sessions which coaches were invited to observe and then deliver to players on a one-to-one basis.

Cumbernauld RFC

At the outset of the pandemic Cumbernauld RFC identified the need to pull the club together and immediately considered a project which would engage club members and also serve the wider community by enhancing current facilities. The club set about developing their outside space with the long-term aim of advancing accessibility, enhancing the match-day experience, and improving the look of the clubhouse to support member and sponsor engagement. In the short-term, this work provided a brilliant focus for club members during a difficult time.

With support from local businesses, much of the work was undertaken by club members and volunteers. The revamped outdoor area now boasts greater accessibility for patrons, and features new benches and parasols for use in the warmer weather. An anti-glare TV was also purchased, which is now mounted on a trolley for broadcasting sporting matches outdoors.
It has undoubtedly been a difficult season and yet members from the rugby community across the Glasgow South region have still achieved so much. Although much of the on-field activity had to come to a halt, rugby clubs have not stood still, using this time to look forward and make change.

“To see our Development Officers join forces to help each other, and watch rugby clubs drive community initiatives has been really heart-warming and exciting, and I think we’ll see this continue beyond Covid-19. Something special is taking shape within our game.”

Jennifer Griffin
Regional Director for Glasgow South

Departmental actions
Like the rest of the world, the Rugby Development team for Glasgow South certainly have not been strangers to technology in the last year.

By utilising Zoom, Glasgow South set up bi-monthly Development Officer catch up sessions for DOs based in the region to find out the latest information on Return to Rugby guidance, share good practice and resources, collaborate and solve any challenges together.

These informal meetings have proven so successful that they continue to operate today.

Further strengthening the sharing of good news stories, the team also delivered a campaign on the regional Facebook group called ‘Celebrating Success’ giving praise and thanks to great work being done both on and off the field.

Moffat RFC
In a bid to lift spirits and offer some covid-friendly fun, over Easter weekend Moffat RFC arranged and advertised an Easter Egg hunt for their local community. Between Friday 2 and Monday 5 April, 22 blue and yellow rugby ball ‘eggs’ and four golden ‘eggs’ were hidden in various gardens, windows and businesses across the Moffat area.

Participants submitted their guesses to the locations of the 26 eggs in a bid to win competition prizes donated by Moffat club members and sponsors. The hunt proved to be a huge success, creating some much needed light relief and fun for the young and old alike and further helped to cement the club’s presence within the community.

Dumfries Saints
Delivered as a project through the CashBack for Communities programme, Dumfries Saints RFC in partnership with North West Community Campus (NWCC), Dumfries Community Policing Unit, Dumfries and Galloway Council’s Youth Work Service began delivering ‘Saturday Night Under the Lights’ campaign, aimed at reducing anti-social behaviour within the DG2 postcode area.

The initiative was set out as a six-week pilot project delivered by the above partnership, and is now continuing following the success of the initial scheme. Delivered on Saturday evenings, the project provides free, diversionary sports activities, including rugby and football, for secondary students attending North West Community Campus.

By taking rugby out into the community in this way, Dumfries Saints are allowing more young people from this area than ever before access to the sport, whilst encouraging them to spend their time in a more socially beneficial environment.

Kilmarnock RFC
Whilst we are often used to adverse weather conditions in Scotland, for Kilmarnock RFC extensive rain has previously caused huge obstacles with the flooding of their facilities.

For these reasons, the club has spent a great deal of time and energy developing plans to renovate their clubhouse, and this season ground was finally broken, and the project begins to take flight!

Kilmarnock’s facilities project has had funding support from sportscotland and Scottish Rugby, with the remaining balance raised by the club. The new facility will include four new changing rooms with integrated toilets and showers, with further developments to improve the main clubhouse, including disabled access throughout.

Part of the motivation behind the ambitious project is a desire to boost numbers at the club across all fronts, in particular the junior and ladies’ sections.

In support of this ambition, the club has continued to support its local community with a full time Development Officer, Stephen Main, who delivers rugby to local schools as part of both curricular and extra-curricular activity. Stephen has also been supporting the club’s inclusivity agenda by providing activity for individuals with disabilities.
Unsurprisingly, like all areas of the game the impact on the CashBack Schools of Rugby programme due to coronavirus was that the schools were unable to participate in match play to the expected level in a normal year. However, when the Scottish Government conditions allowed, the schools were able to undertake some of the practical elements of the programme, though our focus turned to the off-field elements which could be delivered such as our raised attainment awards for senior phase pupils; The Aspiring Performers Programme and Rugby Ambassadors Award.

The Scottish Rugby Partnership Officers adapted the educational sections of the programme so that they could be delivered in an online environment. What we have learnt from this experience is that there are other non-rugby specific subjects that we have been able to add into this year’s programme that do support us reaching six outcomes targets of the programme. We intend to carry this forward into future phases of the programme.

The most disappointing impact on this year’s delivery of the programme was that we have been unable to engage fully with our communities as a consequence of the pandemic, albeit the Partnership Officers have worked with both the schools and the clubs to support their communities as best they can.

We expect year two to create some further challenges for the programme, however we start the year with a more positive outlook compared to where we found ourselves in the first year.

We give our sincere thanks to each of our volunteers for their hard work to ensure the safety of club members whilst delivering rugby and social activity at their facilities.

Covid-19 Safety Co-ordinators Review

As rugby players across Scotland started to return to training, each of their clubs was asked to nominate a Covid-19 Safety Co-ordinator (volunteer position) to oversee public health and safety measures across the club, ensuring that the club is operating to the Scottish Government and Scottish Rugby guidelines.

Across Scotland some 173 individuals were appointed as Covid-19 Safety Co-ordinators within clubs. To date, Scottish Rugby has held 15 Covid-19 Safety Co-ordinator training webinars with a total registered attendance of 865.

Covid-19 Safety Co-ordinators played an integral part of our sport being able to return safely throughout the course of the last year.

Some of their responsibilities included:

- Updating club procedures and policies accordingly and ensuring effective communication with members of the club
- Completion of a Covid-19 Club Risk Assessment before the club facility opens to members
- Developing and implementing procedures for club members to return to rugby, in line with guidance from Scottish Rugby and the Scottish Government
- Notify Scottish Rugby when the club’s indoor or outdoor facilities open for any club activity involving members or general public
- Setting up and chairing a Covid-19 Club Safety Sub-Committee and nominate participants to act as Team Leads for each team, age or training group
- Ensuring the club facility always complies with Covid-19 requirements and has all the appropriate equipment, including but not limited to signage, hand sanitising stations, PPE etc.

We thank everyone involved in our Cashback Schools of Rugby programme. This year our thanks are more heartfelt than ever before. We are extremely proud of our CashBack team here at Scottish Rugby, Kieran Cooney, Stewart Ross and Callum Harris, who have adapted so well to be able to continue to deliver the programme.

Thanks, too, to Development Officers, schools and clubs who worked so hard to deliver what they could in challenging circumstances. We also thank Arran Dewar and the team at Inspiring Scotland for their support, understanding and flexibility. We are very happy to have Ailidh Hood, our regional manager for Glasgow North back from furlough, raring to push on with our programme in year two.

Ken Muir
Head of Business Operations
Rugby Development

We give our sincere thanks to each of our volunteers for their hard work to ensure the safety of club members whilst delivering rugby and social activity at their facilities.

17 secondary schools
1,053 young players
306 female
747 male

94% reported an increase in confidence
98% reported their communications skills had improved
93% reported that their mental health has improved
76% reported that they had joined a local rugby club

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The 2020/21 international campaign saw the staging of the inaugural Autumn Nations Cup, where eight teams were split into two pools, with final fixtures determined by the placings of each side after three games.

Scotland were drawn in Group B alongside France, Italy and Fiji, having also played Georgia in a warm-up game at BT Murrayfield as part of their preparations for a programme brought about by the impact of the Coronavirus pandemic, which scuppered any notion of summer Test rugby and put paid to planned November Tests against Argentina, Japan and New Zealand.

There were three matches played during the Autumn Nations Cup (Scotland were awarded a 28-0 win against Fiji on account of a Covid outbreak in the opposition camp) before the 2021 Guinness Six Nations took place against the backdrop of further empty stadia.

In total, Scotland played nine matches over the course of the 2020/21 campaign, winning five, including landmark away victories at Twickenham (for the first time in 38 years) and in Paris, a win coming in the French capital after some 22 years. Indeed, Scotland had not achieved such an away double since back in 1926.

The Autumn Nations Cup Group B fixtures saw Scotland got off to a flyer against Italy in Florence, Duhan van der Merwe displaying the finishing ability for which he would become even more known in a fly-by-success.

A home defeat to France, coupled with that walkover result with Fiji, meant a 3rd/4th play-off against Ireland in Dublin, where a promising debut from Jaco van der Walt could not prevent a comfortable home win and with it came a fourth-place finish in the table.

The 2021 Guinness Six Nations began in earnest with a trip to Twickenham, where Scotland had failed to taste victory in almost 40 years. History was made, however, with Gregor Townsend’s charges pulling off a notable 11-6 win, a van der Merwe try and an industrial 40 years. History was made, however, with Gregor Townsend’s

The fixture against France was postponed after a Covid outbreak in the opposition camp, which meant a month without Scotland playing. They hosted Ireland in round four of the championship in round two, Wales visited BT Murrayfield and recorded a narrow one-point, 24-25 win, with Scotland’s tries coming through Darcy Graham and a brace for captain Stuart Hogg.

The fixture against France was postponed after a Covid outbreak in the opposition camp, which meant a month without Scotland playing. They hosted Ireland in round four of the championship and were again on the wrong end of a narrow final score, losing 24-27 despite tries from Russell, Huw Jones and Hamish Watson.

Italy were swept aside 52-10 – a record win in this fixture – as Scotland ran in eight tries at BT Murrayfield including doubles for Russell, Huw Jones and Hamish Watson. Italy were swept aside 52-10 – a record win in this fixture – as Scotland ran in eight tries at BT Murrayfield including doubles for van der Merwe and hooker Dave Cherry, himself a revelation in his debut season.

Scotland’s final 2021 Guinness Six Nations encounter, the rescheduled trip to Paris, ended the championship in the most memorable style as the visitors came back from the brink to record an heroic 27-23 win at Stade de France, van der Merwe (2) and Cherry again providing the tries to complement points from the tee through Russell and Adam Hastings.

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Scotland Women recorded their first home victory in the Women’s Six Nations Championship for four years – and their first ever win at Scotstoun Stadium – after claiming a bonus point victory against Wales.

It’s a result which should instil confidence into the squad, the qualification process for next year’s Rugby World Cup still on the horizon.

World Rugby announced in March 2021 the postponement of the Rugby World Cup 2021, which was scheduled to be hosted in New Zealand between September 18-October 16, until next year.

In December 2020, Bryan Easson was appointed as Scotland Women Head Coach on a full-time basis through to the Rugby World Cup 2025. Easson had led the team as Interim Head Coach since August 2020, stepping up from the Assistant Coach role he held alongside former Head Coach Phillip Doyle.

Scottish Rugby took the opportunity to broaden Easson’s remit as he was also named Technical Lead for the Women’s XVs programme, a role which focuses not just on developing Scotland Women’s XVs team, but also supporting the growth of the pathway programmes and coaching infrastructure.

The international season started with the 2021 Women’s Six Nations, which took place in April in a condensed format after the decision was taken by Six Nations in January to postpone the championship due to the ongoing challenges presented by Covid-19.

Scotland began their campaign with a trip to Doncaster to face previous title holders, England. The hosts took the spoils that day following a confident performance from the eventual tournament champions, claiming a 52-10 victory.

The squad returned to Scotstoun for their second pool match against Italy. Despite Scotland recording 20 points in a Six Nations match - a first since 2007 - the visitors proved too strong as they fought off a late comeback to record a hard-earned 27-20 victory.

Scotland bounced back for their final fixture of the tournament against Wales at Scotstoun to finish fifth in the championship. Although Wales had won 12 of the last 13 encounters between the nations - the exception was Scotland’s win at Broadwood in 2017 - Scotland were able to come out on top as they fought off a late comeback to record a hard-earned 27-20 victory.
With the absence of the HSBC World Sevens Series during the 2020/21 campaign, and indeed what looks like much of the current session, the achievements of five Scots gaining selection for the delayed 2020 Olympic Games in Tokyo was quite exceptional.

Hannah Smith (with Lisa Thomson as 13th player) made Scott Forrest’s Women’s squad, whilst Robbie Ferguson, Max McFarland, Ross McCann and Alec Coombes represented a quartet of exciting Scottish talent embedded in head coach Tony Roques’ Men’s selection for the Games in Japan.

In the absence of competitive sevens for Scotland’s men, head coach Claran Beattie joined the Scotland U20s coaching staff for their Six Nations championship in Cardiff, with Scottish Rugby reiterating that whatever structure the international sevens takes over the course of the 2021/22 season, a programme will remain in place to ensure that ahead of the 2022 Commonwealth Games in Birmingham, Scotland are best placed to send a competitive squad to the event.

Both Team GB squads performed admirably at the delayed Olympics, just missing out on a medal after finishing in fourth place in their respective competitions. The Women’s squad were eligible for qualification for the 2022 Commonwealth Games in Birmingham, Scotland are best placed to send a competitive squad to the event.

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With such a lack of rugby over the past year, Scotland’s representative youth sides had little or no opportunity to hone their craft on the international stage, although numerous members of the national U20 squad did earn valuable game time for our professional sides during the course of the 2021/21 campaign.

A 32-man squad was named by Head Coach Sean Lineen for the delayed 2021 under-20 Six Nations, to take place in June and July at Cardiff’s Arms Park stadium.

Of that 32-man group, 21 are supported by the FOSROC Scottish Rugby Academy, with 13 of those players themselves training as full-time professionals with either Edinburgh Rugby or Glasgow Warriors. Unfortunately a number of key players such as Jamie Dobie, Matt Currie, Gregor Brown, Dan Gamble and Harry Paterson were out with injury which meant only two players from last season’s squad were involved.

Captained by second-row Alex Samuel, Scotland U20 were preparing for a first hit-out since the 2020 championship, where they defeated Italy and Wales to finish second in the standings. With the 2020 World Rugby Under-20 Trophy, to be held in Spain, cancelled, Scotland’s young guns went over a year without any international rugby ahead of the 2021 Six Nations.

And with only a smattering of the squad gaining exposure to professional rugby in that time, a tough few weeks in Wales failed to register a victory, although there were green shoots of promise displayed through several members of Lineen’s group. Captain Samuel, along with young props Tom Banatvala, Mikey Jones and Corey Bowker made huge strides as did back rowers Rhys Tait and Ollie Leatherbarrow. All are back with the U20s next season.

Edinburgh Rugby hooker Patrick Harrison also excelled during the 2021 under-20 Six Nations, scoring three of his side’s nine tournament tries, including a double against France in the penultimate game.
A fractured Heineken Champions Cup campaign never really got going for Wilson’s men, as defeat by Easie followed by a Covid-19 outbreak brought a premature end to their top-flight European season. With qualification for the 2021/22 Heineken Champions Cup secured through the Guinness PRO14, however, the Warriors will return to the competition looking to make up for lost time – their 15th consecutive campaign in the top tier of European rugby.

The Scotstoun side also continued a proud tradition of producing talent for the international arena in 2020/21, with Oli Kebble becoming the newest Warrior to don the famous dark blue of Scotland when he made his debut against Georgia in October 2020. It’s a tradition that shows no sign of slowing down any time soon, either; seven uncapped Warriors earned selection for the 2021 Scotland summer tour, with a further seven Glasgow-based FOSROC Scottish Rugby Academy talents named in the Scotland U20 squad by Sean Lineen.

Preparations are already well underway for the new season, with exciting additions both on and off the field. Super Rugby stars Jack Dempsey and Josh McKay join new Scotland call-up Sione Tuipulotu in wingering their way to Scotstoun, whilst Domingo Miotti and Sebastian Cancelliere continue Glasgow’s historic relationship with Argentinian rugby.

Scottish talent maintains centre stage, however; of the 26 new or renewed contracts announced over the course of 2020/21 ahead of the new season, 20 bear the signature of Scottish-qualified players. Those 20 include first professional contracts for Thompson, Smith and Tom Lambert, each of whom earned their deals with their performances across the season. Up-and-coming Scottish coaches Pete Murchie and Al Dickinson will also be part of the club for the new season, having been appointed towards the end of 2020/21. Managing Director Al Kellock will also oversee his first full campaign in charge, having taken over from Nathan Bomprys in March 2021.

The club’s commercial family continues to play a vital role in the club, with the Glasgow Warriors family of Sponsors and Partners offering crucial support in a challenging campaign. Whilst the ongoing Covid-19 pandemic saw the cancellation of the planned 2021 SP Energy Networks Warriors Championship, the club’s Official Community Partner continued their support of grassroots rugby by powering Glasgow Warriors’ Virtual Mascot ahead of each home fixture in the 2020/21 season.

With over 1500 Memberships renewed in the first 24 hours of 2021/22 renewals being available, Glasgow Warriors are looking to the new season with boundless enthusiasm, a season that promises to be another exciting chapter in the club’s professional history.
The 2020/21 season will be remembered as the year Edinburgh Rugby made it ‘home at last’, with the completion of the club’s new purpose-built 7,800 capacity stadium signalling the beginning of a new era of rugby in the Scottish capital.

As Edinburgh Rugby officially moves into its new stadium to start the 2021/22 season, the capital club has a permanent home for the first time in its near 150-year history, through both the amateur and professional eras.

The significance of the club’s homecoming cannot be downplayed with the inaugural season at Edinburgh Rugby Stadium set to be a celebratory year for all connected to the capital side. And the loyal Edinburgh fan base has backed their team in typical fashion, with more than 3000 Season Ticket Members already securing their place for 2021/22, an Edinburgh Rugby club-record.

On-field, the 2020/21 season won’t be regarded as a classic by either Edinburgh Rugby or its supporters. The capital side didn’t live up to lofty expectations throughout a difficult and stop-start pandemic year. However, despite a down year in terms of results, there were plenty of positives to take out of an unprecedented and unique season.

Furthermore, the club were able to re-sign the bulk of its star players on long-term deals, with back-row trio Hamish Watson, Bill Mata and Jamie Ritchie all extending their contracts - the latter penning the longest deal in club history.

Coupled with the re-signing of Scotland stars Jaco van der Walt, WP Nel, Blair Kinghorn, Nick Haining and Darcy Graham, and the signing Montpellier back Henry Immelman, Wasps’ scrum-half Ben Vellacott and English Premiership winners James Lang and Glen Young, the capital side target a bright future, with a quality squad committed to the capital.

Edinburgh Rugby continued to provide talent for the international stage this past season, with Jaco van der Walt, Duhan van der Merwe and Dave Cherry all making their Scotland debuts, while back-row Mesu Kunavula made his first appearance for Fiji at BT Murrayfield.

The capital club’s international calibre was then recognised at the end of the season as Hamish Watson, Rory Sutherland and Van der Merwe were all selected for the British & Irish Lions tour to South Africa.

2020/21 Season Review

Edinburgh were made to wait for their first victory of the 2020/21 Guinness PRO14 season, however it arrived in November, with a gutsy performance securing a road win at Parc y Scarlets.

The capital side welcomed the return of Heineken Champions Cup rugby in December where they celebrated a famous Round 2 away day victory over eventual English Premiership semi-finalists Sale Sharks.

The annual intercity derby returned in January as Edinburgh Rugby claimed victory in the opening leg of the 1872 Cup, with Magnus Bradbury scoring the only try in a 10-7 win at BT Murrayfield.

The launch of the Guinness PRO14 Rainbow Cup in late April brought fresh impetus and fresh faces to the blue and orange line-up.

Hooker Patrick Harrison – who, at 18 years old, became the club’s youngest hooker in team history – centre Matt Currie and back-row Ben Muncaster all featured throughout the Cup tournament.

Blair Kinghorn made his 100th Edinburgh appearance against Glasgow Warriors, becoming the youngest centurion in club history – before the capital side finished the Rainbow Cup campaign with a hard-fought draw at Scarlets to conclude the season.

The 2020/21 season closed with the annual P&P End of Season Awards, where the club’s up-and-coming Scottish talent bagged the majority of accolades.

Marshall Sykes was named Best Newcomer, Jamie Hodgson picked up Man of Steel (Best Defender) and Young Player of the Season, while Luke Crosbie walked away with both the fan-voted Caulie Lug (Most Commitment to the Jersey) and P&P Player of the Season.

Richard Cockerill left the club by mutual consent in July 2021 to allow him to pursue other opportunities, with Edinburgh Rugby appointing Scotland Assistant Coach and former club captain Mike Blair as its new Head Coach to begin the 2021/22 season.

A club connected

In the continued build-up to the 2021/22 season, club partners Galbraith and JBC Nutrition both re-signed, while Peter Vardy came on board as Edinburgh Rugby’s Official Car Partner.

The Player Sponsorship initiative continued in 2020/21 and with great success – 37 individual players’ shirts were sponsored, with the Edinburgh Rugby Fans group sponsoring an entire matchday squad of 23 players, showcasing their brilliant support.

With the club’s community programme on hold for large parts of the pandemic year, Virtual Player Appearances became vital in maintaining a constant connection with supporters, local clubs, schools and charity partners.

More so, the club’s Community Team were able to re-launch the P&P Prosper Programme, which gives help to those children who face a variety of challenges within the education system.
The inaugural season of the FOSROC Super6 was curtailed in March 2020 due to the coronavirus pandemic, with each team having played 10 regular season fixtures, Watsonians topping the table with eight wins to finish that part of the campaign three points ahead of Heriot's Rugby.

It was hoped that a condensed FOSROC Super6 Sprint Series could run over a six-week period from the end of October to the start of December 2020, however these plans were cancelled on account of a second outbreak of the virus.

The shoots of talent did appear on the back of that initial league season, as a number of players and coaches were still able to progress in their development, with no fewer than 51 FOSROC Super6 players earning game time with Edinburgh Rugby (18 players) and Glasgow Warriors (13) over the course of the 2020/21 season.

It was announced in June 2021 that, after a 15-month absence due to Covid-19 restrictions, the 2021 FOSROC Super6 season would get underway in July, comprising ten league fixtures

The six full-time head coaches also had opportunities for development as some were able to enter the professional team bubble while others were able to assist Sean Lineen with the U20 age-grade programme as they prepared for the Under-20 Six Nations in June.

Ayrshire Bull’s head coach Pete Murchie became the first FOSROC Super6 Head Coach to progress from the part-time professional league to professional rugby when he joined Danny Wilson’s Glasgow Warriors coaching team in April. In the same month he was named as defence coach for Scotland’s 2021 summer tour under interim head coach Mike Blair.

Such was the success of the inaugural campaign in 2019/20, Edinburgh Rugby last season featured 18 players who had appeared in the part-time professional league including winger Jack Blain, recent debutant Cameron Hutchison and Scotland U20 back-row Harri Morris.

Some 13 FOSROC Super6 players from that same season featured for Glasgow Warriors Last term, such as centre, Stafford Mcdowall, full-back Ollie Smith and stand-off Ross Thompson, who was awarded both McCrea Financial Services Player of the Season and the Land Rover Young Player of the Season awards at Scotstoun.

Scotland’s summer tour squad included five players who played in the inaugural FOSROC Super6 season: Rory Darge (Southern Knights), Cameron Henderson (Stirling County), Jamie Hodgson (Watsonians Rugby), Jack Blain (Heriot’s Rugby) and Ross Thompson (Ayrshire Bulls).

Despite the constraints of the Covid-19 pandemic, the Scottish Rugby FOSROC Academy have continued to offer a clear pathway for young players to make the transition into higher levels of the game through both regional and Stage 3 prospects.

The FOSROC Regional Academy intake was announced in December 2020 after a Covid-19-induced hiatus, with online support and training offered through the regions’ coaching staff. Indeed throughout December and January of this year, multiple FOSROC Academy Masterclasses were delivered digitally, including insights from Scotland head coach Gregor Townsend and each of his own coaching team.

The Regional Academies began a phased return in June 2021, as support was put in place to ensure players could embark once more on their preparations for the upcoming campaign, in the knowledge that opportunities to play professional rugby have a clearly-defined route.

The alignment of the Stage 3 players from the FOSROC Academy to the pro teams is designed to accelerate the development of our contracted Academy players but also provide a clear pathway moving forward for our supported Stage 2 players, who continue to be selected to one of the four regional Academy hubs in Glasgow & the West, Edinburgh, Borders & East Lothian and Caledonia. In essence, players will gain exposure to the daily routines of professional rugby to prepare them better than ever before for reaching their potential.

Our FOSROC Academy Stage 3 cohort, which consisted of 30 players aligned to either Glasgow Warriors or Edinburgh, allowed some of the country’s most promising talent the opportunity to train every day within the professional ranks, with no fewer than 11 players making competitive bows for Scotland’s two leading sides.

Tangible success of this programme was demonstrated by the inclusion of Ross Thompson, who won both Young Player and Player of the Season for Glasgow Warriors, in the full Scotland squad for this summer’s international fixtures.
During the most challenging time for rugby, and communities in general, the Covid-19 pandemic has presented opportunity for an impressive array of digital learning for clubs, players, coaches and volunteers, through video presentations, webinars and plenty more besides.

In the absence of competitive domestic rugby, the Rugby Development department hosted all manner of online courses, designed to promote the safe return to rugby, wellbeing and having plans in place for the resumption of the sport we all love. Whilst Scottish club and school rugby competition has remained on sabbatical for the season, the Training and Education team spent a great deal of the year planning to inspire the players, coaches and referees of tomorrow with two new education pathways.

The new Coach and Match Official Development Pathways for the club and school game will be delivered from July 2021 replacing the UK Coaching Certificate (UKCC) framework which ended in April this year.

The pathways have been developed in collaboration with Sportscotland, the national agency for sport, with elements aligning to new national standards outlined by the Chartered Institute for the Management of Sport and Physical Activity (CIMSPA).

These courses will be delivered both online and in person throughout the summer months, with a second round of courses hoping to be delivered in the Autumn, subject to government restrictions.

Neil Graham
Head of Training & Development
Rugby Development

With rugby placed into a period of suspense due to Covid-19 restrictions, our sport has had less opportunity than ever before to showcase its wares on both a domestic and global stage. The same cannot be said for our match officials, though, with Scotland’s refereeing stable continuing their excellent progress through the international pathway, overseeing some of rugby’s highest-level matches during the 2020/21 calendar.

In taking charge of the England v Italy 2021 Guinness Six Nations fixture at Twickenham in February of this year, Mike Adamson became the first Scot to referee a championship game in nearly two decades, while trailblazing official Hollie Davidson was appointed to her inaugural PRO14 tie in the same month, a Munster home match against Benetton.

Davidson and Sam Grove-White were also selected to officiate at the rescheduled 2020 Tokyo Olympics, whilst Grove-White and Ben Blain both earned Assistant Referee roles in Tier 1 Men’s international matches.

A thank you to our officials

On top of the achievements mentioned, a small group of our Elite officials worked extremely hard all year in difficult circumstances to play their part in order to keep Professional & International matches going. A lot of them haven’t had many opportunities but they have committed well all year, followed all the protocols and performed to a high standard when called upon.

Mike Adamson
- First Male Scottish MO to referee a:
  - Guinness Six Nations game for 19 years
  - PRO14 Final
  - Referee & Assistant in Autumn Nations Cup
  - Involved in every round of Guinness Six Nations 2021
  - Refereed South Africa vs. Georgia as part of Lions warm up series
  - Milestone 50th PRO14 appointment achieved during the season

Sam Grove-White
- Refereed several PRO14 matches, an EPCR Challenge Cup match and final of Rugby Europe 7s in Lisbon
- Assistant Referee and TMO in Autumn Nations Cup
- Selected to referee at Tokyo Olympics

Finlay Brown
- Selected to referee his first World Rugby 7s event at the Olympic Repechage in Monaco, June 2021

Hollie Davidson
- Refereed first PRO14 Match – her first Male professional match
- Appointed to referee EPCR Challenge Cup match before Covid cancellation
- Refereed Women’s 6 Nations Final 2021 as well as one appointment as referee and two as assistant
- Selected to referee at Tokyo Olympics
- First female referee to referee a Men’s Championship match in Rugby Europe 7s

Ben Blain
- Refereed several PRO14 matches and EPCR Challenge Cup match
- Assistant referee in 6 Nations match - England vs. Italy
- Refereeing Russia vs. Portugal RWC 2023 Qualifier in July 2021

Neil Paterson
- Appointed as TMO during Women’s 6 Nations
Challenges and how we overcome them have been a consistent theme of the last 17 months of living with a global pandemic.

Spare a thought then – as so many of you in clubs the length and breadth of Scotland have – for the charity sector which has seen fundraising activity squeezed as never before in living memory.

There has been immense and understandable goodwill towards the NHS as it has continued to provide care.

Scotland head coach Gregor Townsend and players including Darcy Graham, Scott Cummings and Matt Fagerson caught up with hospital staff in the Borders, Edinburgh and Glasgow to pass on signed Scotland match jerseys as part of a nationwide initiative to acknowledge the depth of our gratitude to those on the frontline.

The hospitals could then choose to either auction off the jerseys to support individual fund-raising projects or display them in public areas as a reminder of our thanks.

Scottish Rugby also made donations of water and isotonic drinks to hospital staff throughout the past year and our National Mens’ and Womens’ team are supporting the Scottish Ambulance Service’s campaign to encourage more people to learn CPR, a simple skill that can save lives.

Our own charity, the Murrayfield Injured Players Foundation, captured the imagination of the rugby family across Scotland and beyond with its mass participation event, the Doddie Gump.

The inter-district challenge ran throughout January with five teams: South, Edinburgh, Glasgow, North & Midlands and Scottish Exiles.

Individuals logged any exercise that they undertook, anything from walking to horse riding, and hundreds of thousands of pounds were raised as the Foundation continues to support hospital staff in the Borders, Edinburgh and Glasgow to increase sustainability.

Finally, congratulations to Charlie Blyden, chair of Wooden Spoon Scotland, another of our charity partners, who was made an MBE last October, for his long and unstinting service to rugby and charity.

Another of our charity partners, the My Name’5 Doddie Foundation, captured the imagination of the rugby family across Scotland and beyond with its mass participation event, the Doddie Gump.

Scottish Rugby is committed to protecting and nurturing our environment and in the year that Glasgow hosts the world climate conference, COP26, is keen to continue working with clubs and supporters to advance our green credentials.

Here are some of our other ongoing activities designed to reduce waste and save energy:

• After match days at BT Murrayfield, we segregate waste at source. It’s then further segregated when it gets to our waste provider’s depot with all component parts broken down and recycled.

• We have achieved zero landfill waste for every year since 2011 and as part of our efforts to build on this and improve our segregation statistics we have introduced a number of clearly marked recyclable bins around the stadium. We also brief our contractors and advise fans to drive support. The desire to comply, especially from fans, is high.

• We have introduced recyclable beer cups, which, typically remove more than 250,000 single use plastics at BT Murrayfield in an average season.

• We also provide reusable water bottles for players and management in our national teams’ squads.

• At Scotstoun, home of Glasgow Warriors, the food packaging is now fully compostable and recyclable, and supporters are encouraged to play their part via colour-coded recycling bins. All drinks are served in compostable cups or pint tumblers in order to increase sustainability.

• We have replaced inefficient lighting, boilers and flues and we have installed a computerised irrigation system to reduce water.

• As far as carbon footprint management, Scottish Rugby complies with the Energy Savings Opportunity Scheme (ESOS) and has done since 2015. The aim of ESOS is to cut carbon emissions by requiring large businesses to identify energy reduction measures and make energy savings.

• We have replaced inefficient lighting, boilers and flues and we have installed a computerised irrigation system to reduce water.

Scottish Rugby is committed to protecting and nurturing our environment and in the year that Glasgow hosts the world climate conference, COP26, is keen to continue working with clubs and supporters to advance our green credentials.
Scottish Rugby has received generous and vital financial support from the Scottish Government. A total of £20m has been made available; a grant of £15m and a loan of £5m. With this support, Scottish Rugby has set up a significant funding package of £6.5million to support community clubs in Scotland as the sport emerges from the Covid-19 pandemic.

The funding has also enabled Scottish Rugby to maintain infrastructure and jobs, in line with the terms of the grant, in the prolonged absence of revenue, predominantly from ticket sales, but also from reduced broadcasting and sponsorship income.

Background
As the severe financial impacts of Covid-19 became understood for Scottish Rugby, similar to the Unions in Ireland, Wales & England, the most severe impact was the restriction on having crowds in attendance at matches, with ticket revenue being a major revenue stream for the business. As a result of this and as part of discussions with the Scottish Government, which have been ongoing throughout the pandemic, a submission was made to Government outlining the financial impacts of having no spectators at Autumn Internationals in 2020 and 50% crowds at 6 Nations matches in 2021, reduced crowds at the Pro clubs and at all other levels of the game. This noted a material threat to Scottish Rugby’s ability to operate post Covid-19. Furthermore, after initial optimism that Covid restrictions might be lifted in the late Summer of 2020, a resurgence in infection levels meant that restrictions have continued to be applied from that point. It eventually became clear that the 6 Nations and PRO14 tournaments would be played without spectators, with little or no rugby activity possible throughout the country at grassroots level.

The main financial impact of the pandemic on Scottish Rugby was expected to be the area of ticket revenues, which is one of the main revenue streams used to fund activity across the organisation. In consequence, funding to replace this income would also be spent on activity across the organisation.

The anticipated loss of this revenue compared with budget plan, would also be spent on activity across the organisation. In consequence, funding to replace this income was expected to be the area of ticket revenues, which is one of the main revenue streams used to fund activity across the organisation. The anticipated loss of this revenue compared with budget plan, would also be spent on activity across the organisation. In consequence, funding to replace this income was expected to be the area of ticket revenues, which is one of the main revenue streams used to fund activity across the organisation. The anticipated loss of this revenue compared with budget plan, would also be spent on activity across the organisation. In consequence, funding to replace this income was expected to be the area of ticket revenues, which is one of the main revenue streams used to fund activity across the organisation. The anticipated loss of this revenue compared with budget plan, would also be spent on activity across the organisation.

The grant funding has been utilised across a number of areas in the business.

**Government Grant**

- **£15m**
  - The full grant was received in February 2021 and is being utilised in meeting the Government’s purpose of “maintaining jobs and infrastructure” for rugby in Scotland and to provide direct support to rugby clubs across the country.
  - The grant funding has been utilised across a number of areas in the business.

**Club Support and Rugby Development**

- **£3.15m**
  - The revised budget for 2020/21 maintained a number of elements of Club Support and Rugby Development budgets at their original levels, which was consistent with prior years. There were cost reductions, but these largely arose from not incurring expenditure normally associated with domestic rugby matches and competitions taking place, such as travel support funding. The Government grant has been utilised to maintain the levels of spend. Net spend on Rugby Development was £2.138m but regular grant funding from sportscotland (£0.695m) and Cashback for Communities (£0.417m) is included in that figure.
  - Two dedicated funds have been established and payments continue to be processed and sent out to clubs. The expenditure will actually be incurred in FY21/22, so the revenue will be accounted for to match the cost. This means that £1.5m of the grant received will be utilised in FY21/22. Details of the funds are below.

- **£500k**
  - **Club Recovery Fund**
    - £0.5m of the grant received was set aside to meet applications to this fund, which is being distributed during FY21/22.
    - Grassroots rugby is a key focus for Scottish Rugby with an emphasis on supporting clubs. Aligned to Scottish Rugby’s 4-point plan ‘Respond, Reset, Recover and Rebuild’, the Club Recovery Fund has been set up to assist clubs with their recovery from the coronavirus pandemic and to provide grants to enable clubs to prepare themselves ready for rugby to restart in 2021. Three levels of award have been made available in the Club Recovery Fund - up to £2,500, up to £5,000 or up to £7,500.

- **£1m**
  - **Return to Rugby Funding**
    - Scottish Rugby has also created a £1m Return to Rugby Fund to kickstart the new season and enable clubs to attract and retain players, coaches, and volunteers. This funding was made available on application, the deadline for which was also 31st May 2021. Suggested initiatives the funding might support included:
      - • Club open days
      - • Club festivals of rugby, including community engagement
      - • Volunteer recruitment activities
      - • Coach development activities and recruitment
    - Applications for this fund are also being processed. The fund is expected to be distributed in full across applicants.

- **£1.1m**
  - **Covid Compliance Costs**
    - £2.150m of the grant has been used to cover the additional costs incurred by Scottish Rugby to remain Covid compliant. The largest component of this cost is for the provision and analysis of regular PCR testing of players and coaches of the National Team and Pro Clubs. There has also been expense incurred in creating the Covid-free “bubble” at BT Murrayfield to enable players to train safely and meet fixture commitments and extra travel and accommodation costs caused by distancing requirements.

- **£7m**
  - **Operating Costs and Infrastructure**
    - The remaining £7.455m of grant has been utilised to support the continued operating costs of Scottish Rugby and to maintain the game’s infrastructure to allow a rapid recovery when conditions improve and government restrictions are lifted. One of the key subjects discussed with the Scottish Government was the desire to avoid any reductions in employee numbers. The grant has allowed us to maintain the skills, capability and capacity to support a rapid recovery.

- **£2.25m**
  - **Stadium Infrastructure and Maintenance**
    - £2.249m of the grant has been used to maintain BT Murrayfield and associated assets during the disruption caused by the Coronavirus pandemic. This has allowed us to maintain our unique facilities to the required standard and quality to continue to host professional rugby in the stadium without compromising the experience and safety of either players or spectators.
Government Loan

As part of the support package offered by Government, Scottish Rugby also has agreed a loan to further support the post-Covid recovery.

The Board of Scottish Rugby agreed to enter into the loan agreement with the Scottish Government and the formal application was made on 26th March 2021. The term of the loan is twenty years, and it is interest free, representing a very beneficial term.

The loan funding is earmarked to be utilised entirely to set up a Growth and Participation Fund to assist grassroots rugby clubs in Scotland with the damage caused to them as a result of their compliance with Covid-19 public health rules.

The funds will be allocated through a model similar to the Club Sustainability Fund. These projects will be varied, but specifically focused on Growth and Participation activities. Any annual underspend in distributable grants will roll over into the following year.

Growth and Participation Fund

The fund will commence in January 2022 to support delivery of diversity and inclusion initiatives, widening the demographic in the game.

Facilities

Application-based support for community hubs, pitches, welcoming, family orientated and inclusive clubhouses, changing facilities and gyms.

People

Women & Girls, off-field funding to support the development of Female Coaches and Match Officials and those involved in the delivery of the Women’s game. Opportunities for Coaches, Match officials and club leaders to visit locations inside and outside Scotland to witness best practice and industry leading projects to look at models of good practice in rugby and other sports – this will support changing mindset and delivering the transformation agenda with our stakeholder groups.

Performance

Improving Player Development Environments. Examples include: Regional development camps to cover Players, Coaches, Match officials and Club Leaders. Enhance Player Development Hubs.

Under the powers delegated by the Bye-Laws of Scottish Rugby Union, the Directors of Scottish Rugby Union Limited, in their capacity as the Scottish Rugby Board present their strategic report for the year ended 31 May 2021.

Principal Activities

The principal activity of the Scottish Rugby Union is to promote the game of Rugby throughout Scotland, using its wholly owned subsidiary Scottish Rugby Union Limited, “the Company”, for all trading activities.

Business Review

The Union continues in its principal activity, noted above. A Strategy has been launched for the period 2021-24, which is being rolled out, and will essentially shape the work of the Union over the coming years. Further detail is outlined in the Annual Report.

Within the course of the year ended 31 May 2021, a number of notable factors have contributed to the results of the Union, including ongoing trading and operations, addressing the continuing challenges presented by the Covid-19 pandemic, the benefits of the investment in the Guinness PRO14 tournament by CVC Capital Partners (“CVC”), and the receipt of government support funds, which the Union and the game gratefully acknowledges. While the ultimate financial result for the year and Balance Sheet position at the year end show a satisfactory position, this has only been possible through prudent financial management, timely negotiation and receipt of investment funds, and financial support from many parties, including our people, partners, supporters, sponsors, suppliers and, significantly, the Scottish Government and World Rugby.

Overall, a surplus of £10.5m for the year (2020: £2.9m surplus) has been realised. This comprises an operating surplus for the year of £1.9m (in which £3.3m of net income related to the conclusion of the 2020 Guinness Six Nations Championship), and net interest cost of £0.2m, together with income from investments of £7.1m and gain on disposal of commercial rights of £2.7m, both of which are in relation to the CVC investment in the PRO14 tournament. Within the operating surplus, £13.5m of the £15m Scottish Government grant funding has been included. The £1.5m balance of this funding will be recognised during the year ended 31 May 2022, in which it is directly supporting further Club Support expenditure initiatives, being the Return to Rugby Fund and the Club Recovery Fund. Within the operating result, national men’s team ticket income, which would otherwise have been anticipated to be around £1.6m for the year, dropped to nil as a result of the pandemic related restrictions around gatherings, with the Union being unable to welcome any supporters in the course of the year. Similarly, professional teams ticket income would have been anticipated to be around £2.5m, but other than a nominal sum generated at the test event in August 2020, was nil for the year. The year’s result is bolstered by the further receipt of investment income from the CVC PRO14 transaction, and the cash balance at the year end has also been assisted by a £1.5m advance receipt from World Rugby. In summary, therefore, the year end cash position of £20.7m is healthy, however the underlying trading position remains challenging, and work will continue to build back towards the £61.1m total turnover figure achieved in the year ended 31 May 2019.

Turnover and other income for the year was £52.5m, compared with the prior year level of £55.5m, as set out in the Consolidated Income and Expenditure Account. As noted above, there were a number of contributors to this position. In operations, Ticket Income fell to nil as a result of the ongoing pandemic. Broadcasting revenues increased by £8.6m, with this being primarily in relation to the timing of the conclusion of the 2020 Guinness Six Nations tournament, with £4.3m of income being received in the current year, rather than the prior year, representing an £8.6m swing between the years, as this tournament concluded in Autumn 2020. Commercial income dropped by £1.3m, in what remains a continuing challenging global sponsorship environment, and which also reflects the lack of any event related commercial income in the course of the year. Professional rugby income fell from £10.1m to £5.4m, generally as a result of the Covid-19 effects on the season, both directly at the two teams, Glasgow Warriors and Edinburgh Rugby, but also from broadcast and sponsorship...
investment with CVC. This resulted in further income to Scottish the Union, through Scottish Rugby Union Limited, has a 25%
end of (£1.54m), mainly as a result of the overall surplus.
the year end improved to £9.25m compared with the prior year
including stadium safety enhancements, office plant and
Capital Expenditure in the year of £3.5m comprised of the
repaid. The Union completed a further refinancing in November
full by 30 June 2020, was rolled over to 31 October 2020, and was
higher than the prior year’s average cash debt of £4.1m, generally
The average cash position is measured using the mean value of
the number of events in the course of the year, due to Covid 19. Salary reductions have also impacted these areas. The
increase of £0.2m in Depreciation is as a result of current and
Covid-19. Salary reductions have also impacted these areas. The
Job Retention Scheme, of £3.1m, compared with the additional
effects and stimulating longer term growth and improvements in
participation. These strategic priorities will be reviewed by the Board every year and during the year if required. The
announced a proposed £15m financial plan for each Financial Year includes a five-year financial plan.
Player development through academics and professional pathways has already been structured over a number of years,
with investment programmes, such as the club sustainability
Scheme to place a number of employees (including professional rugby players) on furlough, and this was fundamental in ensuring that no redundancies had to be made during the pandemic. The funding package secured from the Scottish Government has also allowed the Company to maintain jobs.
The health and wellbeing of Scottish Rugby’s people is a key priority. Employees were sent to work from home before the
the United Kingdom officially went into lockdown. Remote working has remained in place for many employees ever since, and any
return to the office will be carefully managed with thought given to the physical and mental wellbeing of all concerned. Rotational
and temporary furlough periods have been applied, where practicable, to maintain engagement with those who would have otherwise experienced extended periods of absence from the work environment. Remote working is therefore considered to be vital, and has continued through a weekly electronic newsletter, regular engagement through designated members of the People department, employee surveys, meetings and update
credit, in line with the ongoing identification, evaluation and status update of business risks, including those around the terms on which the United Kingdom has withdrawn from the European Union, which continue to be reviewed, and the effects of the Covid-19 pandemic. The effects of the pandemic have been significant, including income reduction, crowd restriction and operational activity curtailment. A number of measures are in place to mitigate these challenges, including adapting the operation to a Covid-19 secure playing and working environment, ongoing positive engagement with government, and operational cost reductions. A Threat Management Group is also now established.
Financial risks to the Union, including interest rate risk, liquidity risk, credit risk and foreign currency risk are managed through interest rate and currency hedging policies, detailed income and expenditure budgeting and monitoring, ongoing cash flow management plans, and extending credit appropriately when doing business. The result of the identification, evaluation and status update of business risks is presented to the Audit & Risk Committee, Board and Council, periodically.
Financial Instruments
Interest rate swaps were used to reduce exposure to interest rate movements. Details of this are noted in the Accounting Policies and in Note 10 to the financial statements. As a result of its cash position, the Union does not use interest rate swaps at present. Forward sale currency contracts are also used to reduce exposure to exchange rate movements. Details of this are also noted in the Accounting Policies and in Note 10 to the financial statements. Financial instruments are not used for speculative purposes.
Companies Act 2006 – section 172
The Companies Act 2006 places certain duties and responsibilities upon the directors of a limited company, including the duty to promote the success of the company and in doing so, having regard to a number of matters set out in s 172 (1)(a)-(f) of the Act. The Act also requires the Directors to report on how the responsibilities listed in s172 are undertaken by the Directors. That report for Scottish Rugby Union Limited, setting out some examples of how those responsibilities have been discharged, is replicated below for information purposes.
(a) Consequences of any decision in the long term
The Directors take a long-term view on key decisions and application of resources, recognising that important objectives, such as developing the game of rugby in Scotland at both professional and amateur level, can only be implemented successfully over time.
The Covid-19 pandemic has presented its own unique challenges and has required particular thought from Directors as to how decisions made in response to the crisis may impact Scottish Rugby in the future. The Board met with increased frequency during the 2020/21 Financial Year to deal with the urgent nature of issues arising from the pandemic.
A significant funding package was secured from the Scottish Government to provide vital support to Scottish Rugby and its member clubs, due to the severe and sudden drop in income experienced from the absence of spectators and customers from venues and events. Directors reviewed terms and conditions attached to both grant and loan funding provided and assessed any longer-term implications of such terms to Scottish Rugby’s stakeholders before accepting such funding.
A private equity transaction was completed in May 2020 which saw CVC Capital Partners invest into the PRO14 competition at that time and during the 2020/21 Financial Year, providing Scottish Rugby with further funding and a new partner who will work with us in the future to deliver the types of changes that will be required to reduce the value of the tournament in the longer term. This transaction was scrutinised in detail by the Board’s Investment Committee, taking account of the longer term impacts, with final terms being signed off by the Board through the Board’s investment process.
Significant work was also undertaken to progress negotiations in connection with additional long-term investment by the same private equity partners into the 6 Nations tournament, to be structured over a number of years.
A Revolving Credit Facility has been secured with Bank of Scotland to provide an additional facility if further or continuing Covid-19 restrictions affect Scottish Rugby’s ability to generate income in coming seasons. The Board has finalised its strategy for 2021 - 2024 setting out key strategic priorities which will assist Scottish Rugby in emerging from the crisis in strong position, recovering from the effects and stimulating longer term growth and improvements in participation. These strategic priorities will be reviewed by the Board every year and during the year if required. The annual budget process for each Financial Year includes a five-year financial plan.
(b) The interests of employees
Scottish Rugby’s ability to succeed in meeting objectives is dependent on its employees. Employee matters are considered as a separate standing item at all scheduled Board meetings, with a written report provided by the Chief People and Engagement Officer, who was formally appointed to the Board as an Executive Director on 1 January 2021. This key appointment underlines the importance Scottish Rugby places on matters affecting its people.
Looking after the interests and wellbeing of employees has never been more pertinent than during the Covid-19 pandemic. Scottish Rugby made use of the UK Government’s Coronavirus Job Support Scheme to place a number of employees (including professional rugby players) on furlough, and this was fundamental in ensuring that no redundancies had to be made during the pandemic. The funding package secured from the Scottish Government has also allowed the Company to maintain jobs.
Examples of how those responsibilities have been discharged, is replicated below for information purposes.

Legal Disclaimers
Scottish Rugby | The Scottish Rugby Union Limited

The Scottish Rugby Union Limited (‘Scottish Rugby’) is a company incorporated in Scotland registered in Scotland with Company Number SC001109. Scottish Rugby Office is at 66/68 George Street, Edinburgh, EH2 2PQ. Scottish Rugby is a private limited company without share capital, a registered charity in Scotland (SC001109) and a registered exempt charity in England and Wales (116301). Scottish Rugby is a company limited by guarantee. The Company is governed by a Board of Directors, which is responsible for the management of the affairs of the Company. Scottish Rugby is the trading name for the Scottish Rugby Union Limited.

Scottish Rugby asserts that all personal data maintained is held in accordance with the Data Protection Principles set out in the General Data Protection Regulation (GDPR) and the Data Protection (Personal Information) (Scotland) Act 2002, and that it has appropriate technical and organisational measures in place to ensure that personal data is kept secure.

In consequence, Scottish Rugby has a Data Protection Officer, who is responsible for implementing and monitoring the data protection principles and organisational measures, and ensuring that the personal data held by the Company is processed in line with the requirements of the GDPR and the Data Protection Acts.

Scottish Rugby stores and processes personal information about members, players, employees, commercial partners and other stakeholders. Personal data includes data relating to individuals who are or were connected with Scottish Rugby, are or were employees or are or were contractors of Scottish Rugby or are or were clients of Scottish Rugby.

Scottish Rugby will only gather such personal data as is necessary to carry out the legitimate purposes that Scottish Rugby holds it for. Scottish Rugby shall ensure that the personal data held is accurate, relevant, complete, up-to-date, and not excessive in relation to the purposes for which it is used.

Scottish Rugby shall ensure the protection of personal data by implementing appropriate technical and organisational measures and by carrying out regular audits in order to assess the effectiveness of the measures taken to comply with the General Data Protection Regulation (GDPR). Scottish Rugby shall ensure that the appropriate measures are taken to ensure that personal data is not transferred to third countries or international organisations without appropriate safeguards for the protection of personal data.

Scottish Rugby will take all reasonable measures to protect personal data from loss, destruction, or unauthorised access, use, modification or disclosure.

Scottish Rugby is subject to the provisions of the General Data Protection Regulation (GDPR), the Data Protection Act 2018 and the Privacy and Electronic Communications (Amendments) Regulations 2019. As such, Scottish Rugby shall ensure that personal data is not transferred to third countries or international organisations which do not ensure an adequate level of protection for personal data. Scottish Rugby shall ensure that personal data is not transferred to third countries or international organisations for purposes other than those for which the personal data was obtained.

Scottish Rugby will take all reasonable measures to ensure that personal data is not transferred to third countries or international organisations for purposes other than those for which the personal data was obtained.

Scottish Rugby has appointed a data protection officer who will oversee the operation of the data protection policy and will report directly to the Board of Directors.

These principles include maintaining an adequate level of security, including the use of appropriate technical and organisational measures, which include data encryption, firewalls, secure servers and access controls. Scottish Rugby will take all reasonable measures to ensure that personal data is not transferred to third countries or international organisations for purposes other than those for which the personal data was obtained.

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Scottish Rugby will take all reasonable measures to protect personal data from loss, destruction, or unauthorised access, use, modification or disclosure.

Scottish Rugby does not sell, lease, or otherwise transfer personal data to third parties for marketing purposes.

Scottish Rugby’s Data Protection Officer is available to provide advice and guidance on data protection matters and is available to members, employees, commercial partners and other stakeholders who have concerns or queries about how Scottish Rugby handles their personal data.

Scottish Rugby’s Data Protection Officer can be contacted by e-mail at: DataProtectionOfficer@scottishrugby.org.uk or by telephone on: 0131 220 4000 Ext 560.
Customers
required above certain thresholds, ensuring enhanced visibility halted during the pandemic. Tenders are conducted on larger who have seen their more traditional activation opportunities at matches (in non-Covid times). Scottish Rugby has sought to
Regular meetings are held with contractor, supplier and sponsor during the pandemic period; the main sponsor arrangement with
standards. These relationships have served the Company well of them, providing continuity and reliable service and quality
Suppliers
(c) Fostering business relationships with suppliers, customers and others

Suppliers - The Company works with a range of suppliers and contractors, having long-established relationships with many of them, providing continuity and reliable service and quality standards. These relationships have served the Company well during the pandemic period; the main sponsor arrangement with BT has recently been renewed for a further three years, affirming their commitment to Scottish Rugby and BT Murrayfield. Peter Vardy, a previous partner, has re-joined Scottish Rugby’s supplier family as a front of shirt supplier for the national team. Regular meetings are held with contractor, supplier and sponsor representatives at operational level but also with senior representatives and decision-makers at other times, including at matches (non-Covid times). Scottish Rugby has sought to develop new and innovative ways to deliver value to sponsors who have seen their more traditional activation opportunities halted during the pandemic. Tenders are conducted on larger scale projects as specific. Specific Board approvals are required above certain thresholds, ensuring enhanced visibility over more substantial contracts.

Customers - The Directors recognise the vital contribution that supports make, not only through revenue but also in the atmosphere and encouragement they provide to teams. High standards of customer service are expected, as is a high-quality matchday experience. Regular reports are provided to Directors at Board meetings. So too is the customer feedback facility is operated. Customer engagement remained key even when fans were not allowed into stadia.

As part of the Board’s strategic planning, the Directors consider opportunities for capital investment in customer facilities in its stadia. A new contact centre telephone service has been implemented to offer an improved customer service experience. A pandemic-tiered service was implemented to communicate with all relevant stakeholders with a view to the fair distribution of any tickets which were able to be sold to decreased capacity matches.

Others - Scottish Rugby works with many organisations within Scotland, the United Kingdom and internationally to assist in furthering its objectives, in addition to the interests of the organisation’s member clubs and associated and affiliated bodies. Externally, contacts and relationships have strengthened with the Scottish Government, sportscotland and the respective local authorities in Edinburgh, Glasgow, North Lanarkshire, the Borders and Aberdeen, where stadium and academy facilities operate. Regular meetings are held with representatives of these organisations on operational matters as well as opportunities provided to meet with senior representatives, in normal non-Covid 19 circumstances. During Covid-19, Scottish Rugby has worked closely with the Scottish Government in securing funding, and in providing advice and assistance to the Scottish Government in forming its plans for a return to live events.

More broadly, the Board and Council of Scottish Rugby have nominated representatives to participate in a range of external rugby organisations including tournament organisers and governing bodies in which Scottish Rugby has an interest. These include World Rugby, 6 Nations, PRO14, EPCR, Rugby Europe and British & Irish Lions. Those relationships are recognised by the Directors as being of significant importance to the organisation. Those representatives include Directors and Scottish Rugby Council members who play an active role in those organisations on Scottish Rugby’s behalf. Regular reports on activity within those organisations are provided to the Board and the Scottish Rugby Council. Representation is reviewed regularly by the Board’s Nominations Committee. The interests of member clubs and associated bodies are commented upon further in paragraph (f) but through the structures of their constituent stakeholder representatives to the Scottish Rugby Council, with a further presence on the Board of Directors through four Council members (including the elected President) serving as non-executive directors. Those individuals play an active part on the Board and on Board Sub-Committees and in contributing to decisions made.

(d) Impact of operations on the community and the environment

The Directors have actively encouraged direct community engagement programmes, particularly through the professional teams (Glasgow Warriors and Edinburgh Rugby) and international teams and their respective players and coaches. In non-Covid 19 times, international team tours and training camps include elements of community engagement and both professional teams regularly engage in local activities with schools, hospitals and local clubs, among others. Proposed developments or significant changes to operating procedures at BT Murrayfield are discussed within local community forums and local authorities. Reports are provided regularly to the Board. During the pandemic there have been fewer opportunities for engagement, however various online opportunities have been identified and implemented, particularly with charity partners. Scottish Rugby recognises its role in promoting public morale at such a difficult time. A return to hosting spectators at events, in a safe and managed way, is also considered to be a welcome and crucial part of the resumption of the sport. The Company supports several charitable organisations including the Murrayfield Injured Players Foundation, Hearts and Balls and the Doddie Weir Foundation which themselves provide support to the wider rugby and other communities.

In its role as the governing body for rugby in Scotland, Scottish Rugby provides policies, guidance, support and training in a number of important areas for the wider benefit of the rugby community including on safeguarding of children and young people, wellbeing and more recently in connection with Covid-19 public safety messaging and protocols, including detailed guidance about a return to rugby. Various key policies are reviewed regularly by the Board or a designated Board Committee. The environment is recognised as being an area of increasing importance and a factor in capital investment and other spending and activity. Charging points for sponsor-provided hybrid vehicles have been installed at BT Murrayfield stadium, increased separation of waste has improved recycling, and there is increased use of recycled materials, including in replacement stadium seats. During the pandemic, reduced employee travel to and from the workplace, and internationally as well as reduced use of facilities and energy consumption will have led to a drop in Scottish Rugby’s overall carbon footprint, and the Board will continue to be mindful of environmental factors in its decision making. Remote and home-working are likely to play a larger part in operational activity than before the pandemic.

(e) Maintaining a reputation for high standards of business conduct

The integrity of the organisation, its officials, directors, employees, and members is seen as crucial to the organisation’s standing and reputation. The Code of Conduct which previously
bound all directors and members of Scottish Rugby’s Council and set out procedures for declaring and dealing with any potential conflicts of interest or misconduct is currently being reviewed by the Scottish Rugby Council working group. The updated Code has been approved and is due to be implemented shortly. Directors receive regular reports in connection with disciplinary cases and misconduct involving clubs, and in relation to any employee discipline or performance improvement matters. Internal policies on probity and whistleblowing are part of the remit of the Safeguarding, Wellbeing, Inclusion and Diversity Committee, headed by the Senior Independent Director. These policies are reviewed regularly. Approval of contracts where there may be an ethical question in the context of the sporting environment – for example, a potential sponsor being involved in the gaming or gambling sectors – is exclusively reserved to the Board, irrespective of quantum.

(f) Acting fairly between members

In the context of Scottish Rugby’s group structure of an unincorporated members’ association and a limited company as the main operating vehicle, members are taken to be the members of Scottish Rugby Union. That membership is diverse in scale of club, level of activity and geographical location and includes associated bodies representing the interests of match officials and the women’s game. The Board seeks at all times to act fairly, equitably and in a reasonable and proportionate way, recognising that no two members are the same, the Directors’ responsibilities to act in the interests of the game as a whole and to promote the success of the Company. A number of new funding initiatives have been implemented during Covid 19 to assist clubs and associated bodies during the pandemic and in returning to rugby. These funds are in addition to the Club Support Fund, Club Sustainability Fund and the Club Hardship Fund. They are structured so as to be accessible to all clubs at some level, with access to training and development opportunities and materials also available to all members. The Rugby Development Department includes Regional Managers and Regional Directors with designated geographic areas to ensure that services and support, and a designated point of contact, is available for all members in their area, irrespective of size or the level of the game at which they play.

The Scottish Rugby Union Council provides a higher-level mechanism for representation from across the game as a whole, and contribution to Board decisions through its nominated non-executive Directors. Council matters are a standing agenda item at Board meetings, as are community rugby issues. The Council, either itself or through designated working parties, regularly provides guidance and advice to the Directors on matters of importance to members and the game as a whole, as an improvement to the wider community. It has done so most recently in relation to the restart of rugby and the intended structure of the 21/22 domestic season, issues in connection with player payments and player movement and the interface between the Super 6 tournament and the Premiership.

By order of the Board
Robert M Howat, Secretary
Edinburgh, 23 July 2021
SCOTTISH RUGBY COUNCIL 2020/2021

Members

The members of Council serving in the period between the 2020 AGM Stage 1 (15 August 2020) and the 2021 AGM (14 August 2021) are set out above.

Ian Barr chaired the Council during the year, with the Vice-President, Colin Rigby, acting as the Vice-Chair. The Council’s “year” runs from one AGM to the following AGM.

Jim O’Neill joined the Council as the Glasgow South Representative on 1 June 2020, succeeding the late Adam Gray. Eric Hugh, Gerry Tosh and Bobby Frazer joined the Council on 15 August 2020 replacing Graeme Scott, Colin Rigby and Andrew Little as the National 1, 2 and 3 Representatives respectively.

Role and Activity

The Council is responsible, among other things, for reviewing the operational activity delegated to the Board, developing and fostering the game of rugby in Scotland, reviewing and advising on matters of policy and strategy and developing relationships within the game at both domestic and international levels and various aspects of decision-making. Council meeting minutes from 26 November 2020 onwards are published on the Scottish Rugby website.

Decisions of the Council are made at Council meetings, and in the course of the year a number of decisions were also made by electronic written resolution.

Attendance

The Council meets regularly throughout the year, with quarterly and additional briefing meetings. Attendance at the Council meeting immediately following the AGM and at quarterly meetings is compulsory. Attendance at briefing meetings is voluntary but Council members are actively encouraged to attend if possible.

Attendance of Council members at the Council meetings in the period from 26 November 2020 to 14 August 2021 is summarised in the table below.

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<th>Name</th>
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*Co-opted

Patron

Her Royal Highness, The Princess Royal

The Council meets 15 times during this period.

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*Co-opted

Patron

Her Royal Highness, The Princess Royal

The Council meets 15 times during this period.
Malcolm is the Chairman of London Scottish (since June 2017) and he sits on the Council as the representative of the Exiles clubs proposed by London Scottish and seconded by Hong Kong Scottish. He played his rugby with Greenock Wanderers, Edinburgh University and London Scottish and remains actively involved with all three clubs. London Scottish plays in the English Championship (since 2011) which is the second tier of professional rugby in England below the Premiership. Founded in 1878, London Scottish has contributed 224 international caps to Scotland and 4 British & Irish Lions captains in the amateur era. Under the current chairmanship of Oﬀord, the club retains ambitions to contribute to the player pathway for exiled Scots to play international rugby for Scotland in the professional era.

Gordon Thomson
Premier Division Rep

Gordon played local rugby from the 1980s for Grampian Police and Aberdeenshire before moving to Aberdeen Grammar in 1998. He was Chairman of Aberdeen Youth Rugby, combining all Aberdeen clubs engaged in schools programmes, for seven years. Since then he has held various positions in coaching, child protection, company secretary and for the last 10 years has been Chairman and latterly also Director of Rugby, Gordon previously sat on the Mcluside committee, as Representativesetive, regarding the structure of leagues and club rugby. He became the Premiership Council representative in 2019 and sits on the Standing Committee on Governance. Previously a Senior Investigating Officer in the Police service, Gordon is currently a Director of a Legal Services business.

Gerry Tosh
National Division 1 Rep

Gerry was President of Dundee High Rugby for 11 years. He played for Dundee in the late 60’s and early 70’s as an “outstanding stand-off” mostly in the 2nd string. Often compared to John Rutherford! Gerry became involved with Dundee when his eldest son was playing in the Scotland U18’s and for Dundee. He represented Dundee on the Premiership and Nat 1 fora and has been involved in various working parties representing these Fora. Gerry is still involved in the running of his family Property Business, Premier Property.

Eric Hugh
National Division 2 Rep

Eric Hugh has been a member of GHK(formerly Glasgow High) for almost 50 years, playing for 20 years and serving on the committee for most of the last 30 years. At various times he has been a selector, mini-rugby coach, touch judge and bar convenor and was club President in 2006/07. He has represented GHK on the season Structure Review in 2010/11 and at the National 2/3 Forum. A chartered accountant by profession, he retired as an associate audit and assurance partner with Big 4 EY at the end of 2017. He is currently President of the Glasgow High School Club, a Governor of the High School of Glasgow and the Treasurer of the High School Educational Trust.

Bobby Frazer
National Division 3 Rep

Bobby Frazer is President of Murrayfield Wanderers having previously served as a Vice President from 2015 – 2019. He is a former player for Edinburgh Wanderers and was Director of Rugby for Edinburgh University from 2000 to 2008. He is also an Honorary Vice President of Edinburgh University RFC and Dollar Academics. He is a member of the Faculty of Advocates and in September 2020 was appointed a full-time floating Sheriff for Highlands, Grampian and Islands.

Murdur Gillanders
Edinburgh Regional Rep

Murdur has been involved in Scottish club rugby for many years playing for Kelvinside Accies and GHK in his native Glasgow, before moving through to Edinburgh and joining Lismore. He is a past captain, coach and President of Lismore, Murdo is also Honorary Vice President and Senior Adviser to University of Edinburgh Sports Union and Trustee of Murrayfield Injured Players Foundation.

William Gardner
Glasgow North Regional Rep & Board Member

William is a past President and Life Member of Lanark Rugby Football Club. He was re-elected as the Glasgow North Representative on the Scottish Rugby Council in 2019 and is also a Council Representative on the Advisory Group to the West Regional Academy Group. He is a Trustee of the Murrayfield Injured Players Foundation, and a board member and serves on the Audit & Risk Committee, Investment Committee and Safeguarding, Wellbeing & Inclusion Committee.

Jim Budge
Glasgow South Regional Rep

Jim has been involved in rugby all his adult life. He has been a youth coach, Team Manager, Youth Convener, and President of Irvine Rugby and is currently Secretary of the club. He is also a former member of Council. He is now retired after being a teacher, trade union official for teachers, local authority Councillor and Parliamentary researcher and speechwriter. In retirement, Jim chairs Children’s Panels, is a Director of LST Alliance Credit Union and Director and former chair of Atrium Homes.

Alistair Forsyth
Scottish Borders Regional Rep

Alistair has been a member of the Earlston club for 40 years, from player to serving various committee roles, ultimately being President for seasons 1996-1998. A graduate of Heriot-Watt University he also played rugby whilst attending. Following on from hanging up his boots he was elected on the then Scottish Borders Rugby Union Board. He is a past secretary of the Border League. Alistair is currently employed by Scottish Borders Council as Senior Quantity Surveyor.

Hazel Swankie
Midlands Regional Rep

Hazel has been a member of Dunfermline RFC since the late 1990s. She joined the Management Committee as secretary in 2008 and still holds this position. She has also been fixture and referee secretary, Vice President and the first female President of the club. During her time in these roles, Hazel has gained a good understanding of what challenges clubs face on a daily basis in trying to remain sustainable and financially viable. Hazel is a trustee on the Scottish Rugby Union Trust and the Murrayfield Injured Players Foundation and is also a Co-opted member on the PRO12 Scottish Rugby Academy Advisory Group for Caledonia. Hazel has been re-elected for another term as Council Representative for the Midlands Region.

Bob Richmond
North Regional Rep & Board Member

Bob joined Mackie FPs at their inception in 1974 and has been involved ever since. He has been on the committee for 42 years and served as captain, Treasurer, Vice President, President three times and coach. Bob is currently Hon President and Chairman. He also worked with North-East Hurricanes for 12 years and has a wealth of coaching experience. He spent ten years on the old north district committee and more recently has been on the Caledonia Championship Committee for five years.

Kenneth Knott
Region Rep

Kenneth is an active member of Highland Rugby Referee Society previous roles included Secretary then President until being elected to the Scottish Rugby Council as the Referees rep. He also served on the Scottish Rugby Referee Association executive including working on the governance and communication working groups. He is part of Standing Committee on Governance that is currently reviewing a governance model for Scottish Rugby.

Jonathan Anderson
Schools Rep

Jonathan is currently the Headmaster of Merchiston Castle School. In his early career he was a Geography Teacher at Christ's Hospital for almost 14 years. Following this, Jonathan was appointed as Senior Deputy Head at Worksop College, Nottinghamshire, where he spent the next seven years. He is a keen cyclist and enjoys spending time with his wife and two daughters.

Rosy Hume
Scottish Women’s Forum Rep

Rosy Hume was a member of Murrayfield Wanderers RFC for almost 20 years, having started her playing career at Heriot Watt University before the Ladies section moved in 2018 to Heriot’s RFC. She was also the Manager of the Scottish Women’s Rugby XV for four years, during which time they won the European Championships. Rosy also served as Vice Chair of the SWRU and was part of the team working towards the full integration of Women’s Rugby within Scottish Rugby. She also serves as the Council Ambassador with the Scottish Rugby National Schools & Youth Forum. Rosy is currently employed by City of Edinburgh Council as a Primary School Head Teacher.
He was also a British Lion in 1986 & 1989. John is the Chair of the Scotland and was a member of the Grand Slam team of 1990.

His term expires 3 years in December of that year. He is a co-opted member on the Board-nominated Non-Executive Directors.

Malcolm Offord and Bob Richmond then joining the Board as Council-nominated Non-Executive Directors. Graeme Scott also retired from the Board at that time, with President, being succeeded on the Board in that capacity by Ian Barr.

The appointment being made permanent for Scottish Rugby on 26 May 2020, with his term expires 26 May 2023.

On 3rd December 2020, his term expires 1 April 2022.

He has been on the committee for 42 years. Lesley is a member of the World Rugby Council and serves on its Investment Committee and the Safeguarding, Wellbeing, Diversity & Inclusion Committee.

She brings a wealth of experience as a board member of the English Sports Council and UK Sport and as a member of the National and Regions Group of the London 2012 Olympics. She was the first female Chair of sports (Scotland) and chaired the international drafting group of the Women’s Charter on women’s rights in sport. In 1999 Julia was awarded an OBE for services to sport, in particular fencing. Julia is a member of the Audit & Risk Committee, Investment Committee and Safeguarding, Wellbeing, Diversity & Inclusion Committee.

John Jeffrey was initially appointed on 26 May 2020 as interim Chairman, for a period of 1 year. On 3rd December 2020 his appointment as Chairman was extended to 26 May 2023. He also worked with North East Hurricanes for 12 years and involved with all three clubs. London Scottish plays in the English Championship (since 2011) which is the second tier of professional rugby in Scotland.

He became the interim Chairman of Scottish Rugby on 26 May 2020, with his term expires AGM 2023.

The Board comprises: four Independent Non-Executive Directors; four Executive Directors from the Scottish Rugby Council (one of the four being the President in their capacity as Chair of the Council); and up to four Executive Directors. The Vice-President is also entitled to attend Board meetings as an observer but is not entitled to vote.

Lesley Thomson QC is the Senior Independent Director. Executive Directors serve under the terms of their employment or service contracts. The Independent Non-Executive Directors are appointed for terms of up to 3 years at a time and would normally be expected to serve for a minimum of two terms. Appointment of the Independent Non-Executive Directors is by the Board, on the recommendation of the Nomination Committee. Council-nominated Non-Executive Directors other than the President may serve for up to 3 years at a time, subject to remaining a member of Council. Their terms in office as directors can therefore vary depending on the length of their underlying Council term. On ceasing to be a member of Council, a Council-nominated Non-Executive Director is also required to step down from the Board.

John Jeffrey is responsible for all aspects of Finance, Procurement and Information Technology within the organisation. Born in Glasgow, he represents Scottish Rugby on the Pro14 Audit Committee, the EPCR Finance Committee, the 6 Nations Council. His role also sees him represent Scotland on the Professional Game Committee. Mark is also a member of the 6 Nations Council. His role also sees him represent Scotland on the Professional Game Committee and Professional Game Committee. Mark also is a member of the 6 Nations Council. His role also sees him represent Scotland on the Professional Game Committee.

He played with GHA for a number of years, before retiring and taking up refereeing for a further nine years. He played for Glasgow Warriors in the Perpindici. Mark has also overseen key coaching appointments at national and professional level and prioritised the pathway for young, aspiring Scottish coaches and players. He represents Scottish Rugby at World Rugby and sits on its Council, Audit and Risk Committee and Professional Game Committee. Mark also is a member of the 6 Nations Council. His role also sees him represent Scotland on the Board of the British & Irish Lions.

Andrew Healy started with Scottish Rugby on 26 May 2020, with his term expires AGM 2023.

He is responsible for all aspects of Finance, Procurement and Information Technology within the organisation. Born in Glasgow, he represents Scottish Rugby on the Pro14 Audit Committee, the EPCR Finance Committee, the 6 Nations Audit & Risk Committee and the British & Irish Lions Audit & Risk Committee.

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**John Jeffrey**

**Chairman**

Appointed on 26 May 2020.

Term expires 26 May 2023.

John became the interim Chairman of Scottish Rugby on 26 May 2020, with his appointment being made permanent for 3 years in December of that year. He is a co-opted member on the World Rugby and Six Nations and was appointed Chairman of Six Nations Council in May 2019 for a three year term. He won 40 caps for Scotland and was a member of the Grand Slam team of 1990. He was also a British Lion in 1986 & 1989. John is the Chair of the Nominations Committee.

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**Julia Bracowin**

**Independent Non-Executive**

Appointed 2 April 2019 for 3 years.

Term expires 1 April 2022.

Julia is a solicitor who specialises in corporate and finance law for US and English clients. She brings a wealth of experience in grassroots, development and professional sport through her experience as a board member of the English Sports Council and UK Sport and as a member of the National and Regions Group of the London 2012 Olympics. She was the first female Chair of sports (Scotland) and chaired the international drafting group of the Women’s Charter on women’s rights in sport. In 1999 Julia was awarded an OBE for services to sport, in particular fencing. Julia is a member of the Audit & Risk Committee, Investment Committee and Safeguarding, Wellbeing, Diversity & Inclusion Committee.

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**Ian Barr**

**Council Nominated Non-Executive (President)**

Elected to the Board by Council on 28 April 2020 until formal appointment as President on 15 August 2020, for 2 years. Term expires AGM 2022.

Ian is the President of Scottish Rugby having been elected at the 2020 AGM. He is currently managing the family farming and sportsground contracting business and is a spin instructor for Midlothian Council. Ian was President of Lasswade RFC for 15 years, served on the Scottish Rugby Council from 2012-2017 with two years on the Board and was a Scotland Under 20 Ambassador from 2013-2017. Ian is a member of the Nominations Committee.

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**Malcolm Offord**

**Council nominated Non-Executive**

Elected to the Board by Council on 15 August 2020, for 3 years. Term expires AGM 2023.

Malcolm is also a member of the Remuneration Committee, Investment Committee and the Safeguarding, Wellbeing, Diversity & Inclusion Committee.

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**Bob Richmond**

**Council nominated Non-Executive**

Elected to the Board by Council on 15 August 2020, for 3 years. Term expires AGM 2023.

Bob joined Mackie FPs at their inception in 1976 and has been involved ever since. He has been on the committee for 42 years and served as captain. Treasurer, Vice President, President three times and coach. Bob is currently Hon President and Chairman. He also worked with North East Hurricanes for 12 years and has a wealth of coaching experience. He spent ten years on the old north district committee and more recently has been on the Caledonia Championship Committee for five years. Bob is also a member of the Nominations Committee, Remuneration Committee and the Audit & Risk Committee.

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**Mark Dodson**

**Chief Executive**

Appointed on 19 September 2021

Mark was appointed to the role of chief executive in September 2011. Over those ten years Scottish Rugby has enjoyed record financial growth and secured major global sponsorship partnerships to help fund Scottish grassroots and professional rugby to unprecedented levels. During his tenure Scotland rose to its highest ever world ranking of fifth before spending nine years in management consultancy at PwC.

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**Andrew Healy**

**Finance Director**

Appointed on 22 August 2023

Andrew Healy started with Scottish Rugby in 2007 as Financial Controller, and in 2013 joined the Board as Finance Director. He is a Chartered Accountant, having qualified with Ernst & Young, and has previously worked across telecoms, hospitality, electronics manufacturing and on-line retail industries. He represents Scottish Rugby on the Pro14 Audit Committee, the EPCR Finance Committee, the 6 Nations Audit & Risk Committee and the British & Irish Lions Audit & Risk Committee.

* denotes part financial year only.
Role and Activity

The Scottish Rugby Board is responsible for the ongoing management and operations of Scottish Rugby Union under powers delegated under the Scottish Rugby Union Bye-Laws and, for Scottish Rugby Union Limited, arising as a matter of company law and under that company’s Articles of Association.

Those responsibilities are discharged throughout the year and include overseeing the work of the executive management, identifying and reviewing strategic objectives and Key Performance Indicators, the setting of budgets and monitoring financial performance, as well as overall responsibility for domestic, professional and international rugby, people matters, succession planning, safeguarding, health and safety, commercial activity, events, the management of risk, financial reporting, policies and controls and various regulatory matters.

Day-to-day responsibility for management is undertaken by the Executive Directors, assisted by a senior leadership group and department heads. Elements of the Board’s work are delegated to various Board Committees.

The allocation of decision-making responsibilities between the Union’s members, Council, Board, Board Committees, and executive management is based upon the content of the Scottish Rugby Union Bye-Laws, Council Standing Orders, the Scottish Rugby Union Limited Articles of Association, Board Committee Terms of Reference, other supporting documentation, internal financial controls and company law.

An evaluation of the performance and workings of the Board is usually conducted each year but was not undertaken during the 2020/21 financial year due to the additional workload and demands arising from the Coronavirus pandemic. An evaluation will be conducted in the 2022/23 financial year with the outcomes communicated to the Board and procedures adjusted as appropriate following that appraisal. Board composition and procedures may also be subject to change in future depending upon the outcome of the ongoing governance review.

Board meeting minutes from 26 November 2020 onwards are published on the Scottish Rugby website.

Attendance

The Board met 12 times during the 2020/21 financial year, including a Board Strategy Session.

Attendance at Board, and as appropriate, Board Committee meetings is compulsory unless there is good and substantial reason for a director not attending. In each case of non-attendance, the Chair has been satisfied that such reasons existed, particularly when additional meetings have been called, at short notice, outside of the previously scheduled dates. Meetings are usually held in person but as a result of public health and safety requirements arising from the Coronavirus pandemic all Board meetings during the financial year were held by telephone conference or videoconference, as well as decisions being made by electronic written resolution when required.

Attendance at the Board meetings is summarised below and also includes attendance of those serving for part of the financial year.

<table>
<thead>
<tr>
<th>BOARD MEETING</th>
<th>Number of Meetings (including Strategy Session)</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Jeffrey (C)</td>
<td>12 12 12</td>
<td>12 12 12</td>
<td>12 12 12</td>
</tr>
<tr>
<td>Julia Braceworld</td>
<td>12 12 12</td>
<td>12 12 12</td>
<td>12 12 12</td>
</tr>
<tr>
<td>David McMillan</td>
<td>12 12 11</td>
<td>12 12 11</td>
<td>12 12 11</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>12 12 11</td>
<td>12 12 11</td>
<td>12 12 11</td>
</tr>
<tr>
<td>Ian Barr</td>
<td>12 12 12</td>
<td>12 12 12</td>
<td>12 12 12</td>
</tr>
<tr>
<td>Dee Bradbury*</td>
<td>12 3 3</td>
<td>12 3 3</td>
<td>12 3 3</td>
</tr>
<tr>
<td>William Gardner</td>
<td>12 12 12</td>
<td>12 12 12</td>
<td>12 12 12</td>
</tr>
<tr>
<td>Malcolm Offord*</td>
<td>12 9 9</td>
<td>12 9 9</td>
<td>12 9 9</td>
</tr>
<tr>
<td>Bob Richmond*</td>
<td>12 9 9</td>
<td>12 9 9</td>
<td>12 9 9</td>
</tr>
<tr>
<td>Graeme Scott*</td>
<td>12 3 3</td>
<td>12 3 3</td>
<td>12 3 3</td>
</tr>
<tr>
<td>Shona Bell*</td>
<td>12 4 4</td>
<td>12 4 4</td>
<td>12 4 4</td>
</tr>
<tr>
<td>Mark Dodson</td>
<td>12 12 12</td>
<td>12 12 12</td>
<td>12 12 12</td>
</tr>
<tr>
<td>Andrew Healy</td>
<td>12 12 8</td>
<td>12 12 8</td>
<td>12 12 8</td>
</tr>
<tr>
<td>Robert Howat*</td>
<td>12 8 8</td>
<td>12 8 8</td>
<td>12 8 8</td>
</tr>
<tr>
<td>Dominic McKay*</td>
<td>12 11 11</td>
<td>12 11 11</td>
<td>12 11 11</td>
</tr>
</tbody>
</table>

*denotes part year

Board Committees

During the period, the Board operated five regular sub-committees.

Membership of Board committees, other than the Investment Committee, is restricted to Non-Executive Directors. At least one Council-nominated Non-Executive Director and at least one Independent Non-Executive Director serve on each committee and are necessary to form a quorum. Executive Directors, other members of senior management and external advisers attend committee meetings as required. Each Committee has detailed terms of reference approved by the Board and communicated to Council.

All Committee Terms of Reference are published on the Scottish Rugby website.

The Chair of each Committee presents a report to the Board on that Committee’s work at the following Board meeting. Committee minutes are either circulated to or are otherwise available to other Board Members on request.

Audit & Risk Committee (Chair: Lesley Thomson QC)

Ian Barr (to 3 September 2020), Julia Braceworld, William Gardner, Graeme Scott (to 15 August 2020), Bob Richmond (from 3 September 2020) and Lesley Thomson all served on this Committee during the financial year. The Committee is responsible among other things for assisting the Board to discharge its responsibilities for accounting policies, financial reporting, internal financial control, liaison with auditors and risk management.

A key workstream in recent years has been identification of areas for additional reporting to members within the Annual Report. This continued to be an area of attention for the Committee in the 2020/21 financial year and is an ongoing part of the Committee’s work in 2021/22.

Due to the challenging circumstances presented by the Coronavirus pandemic and the resultant elongated period in finalising and approving the 2019/20 financial statements, the Committee met 7 times during the 20/21 financial year. Committee meetings are attended routinely by the Financial Director, the Financial Controller or equivalent, the Company Secretary and representatives from the auditors.

All meetings were held by teleconference or videoconference, with no decisions requiring to be made by electronic written resolution.

Attendance at the Committee’s meetings is summarised below.

<table>
<thead>
<tr>
<th>AUDIT &amp; RISK COMMITTEE</th>
<th>Number of Meetings</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lesley Thomson (C)</td>
<td>7 7 7</td>
<td>7 7 7</td>
<td>7 7 7</td>
</tr>
<tr>
<td>Ian Barr*</td>
<td>7 2 2</td>
<td>7 2 2</td>
<td>7 2 2</td>
</tr>
<tr>
<td>Julia Braceworld</td>
<td>7 7 7</td>
<td>7 7 7</td>
<td>7 7 7</td>
</tr>
<tr>
<td>William Gardner</td>
<td>7 7 7</td>
<td>7 7 7</td>
<td>7 7 7</td>
</tr>
<tr>
<td>Bob Richmond*</td>
<td>7 5 5</td>
<td>7 5 5</td>
<td>7 5 5</td>
</tr>
<tr>
<td>Graeme Scott*</td>
<td>7 2 2</td>
<td>7 2 2</td>
<td>7 2 2</td>
</tr>
</tbody>
</table>

*denotes part year

Investment Committee

Chair: David McMillan

Julia Braceworld, William Gardner, Graeme Scott (to 15 August 2020), Malcolm Offord (from 3 September 2020), David McMillan and Mark Dodson served on this Committee during the financial year.

The Committee is responsible, amongst other things, for considering the potential for external investment into Scottish Rugby, investment opportunities, and reviewing proposals and accompanying terms relating to third party investment transactions affecting Scottish Rugby’s interests. Committee meetings are also attended by the Company Secretary and external professional advisers as required.

The Committee met 4 times during the 20/21 financial year.

The primary focus of the Committee’s work was review of the initial transaction structures and terms and conditions attaching to the proposed investment by the private equity house CVC Partners in the 6 Nations tournament, before recommending those to the Board. The Committee also considered and approved more detailed documentation leading to the preliminary announcement of the transaction in March 2021. The Committee’s work in examining the detailed documentation has continued into the 21/22 financial year, pending various regulatory clearances being obtained.

Consideration of the detailed terms surrounding the extension of the PR014 tournament to include additional South African teams and its renaming, as the United Rugby Championship has also been a feature of the Committee’s work in the financial year. That work also continues.

All meetings were held by teleconference or videoconference, with decisions also made by electronic written resolution when required.

Attendance at the Committee’s meetings is summarised below.

<table>
<thead>
<tr>
<th>INVESTMENT COMMITTEE</th>
<th>Number of Meetings</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>David McMillan (C)</td>
<td>4 4 4</td>
<td>4 4 4</td>
<td>4 4 4</td>
</tr>
<tr>
<td>Julia Braceworld</td>
<td>4 4 4</td>
<td>4 4 4</td>
<td>4 4 4</td>
</tr>
<tr>
<td>Mark Dodson</td>
<td>4 4 4</td>
<td>4 4 4</td>
<td>4 4 4</td>
</tr>
<tr>
<td>William Gardner</td>
<td>4 4 4</td>
<td>4 4 4</td>
<td>4 4 4</td>
</tr>
<tr>
<td>Malcolm Offord*</td>
<td>4 3 3</td>
<td>4 3 3</td>
<td>4 3 3</td>
</tr>
<tr>
<td>Graeme Scott*</td>
<td>4 1 1</td>
<td>4 1 1</td>
<td>4 1 1</td>
</tr>
</tbody>
</table>

*denotes part year

Nomination Committee

Chair: John Jeffrey

Dee Bradbury (to 15 August 2020), Julia Braceworld (3 to September 2020), Graeme Scott (to 15 August 2020), Lesley Thomson, Ian Barr (from 3 September 2020), Bob Richmond (from 3 September 2020) and John Jeffrey all served on this Committee during the financial year.

The Chief Executive, Company Secretary and Chief People & Engagement Officer also attend the Committee’s meetings as required. This Committee is responsible, among other things for making recommendations to the Board on membership of the Board and its Sub-committees, the identification and recruitment of new Executive Directors and Independent Non-Executive Directors when required, the identification and appraisal of international body representatives, and various aspects of succession planning.

The Committee met 7 times during the 20/21 financial year, reflecting the activity required as part of the process involved in the extension of the appointment of John Jeffrey as Chairman and the recruitment of a new Chief Financial Officer.

All meetings were held by teleconference or videoconference, with decisions also made by electronic written resolution when required.

Attendance at the Committee’s meetings held in the financial year is summarised below.

<table>
<thead>
<tr>
<th>NOMINATION COMMITTEE</th>
<th>Number of Meetings</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Jeffrey (C)</td>
<td>7 7 6</td>
<td>7 7 6</td>
<td>7 7 6</td>
</tr>
<tr>
<td>Ian Barr*</td>
<td>7 6 6</td>
<td>7 6 6</td>
<td>7 6 6</td>
</tr>
<tr>
<td>Julia Braceworld*</td>
<td>7 1 1</td>
<td>7 1 1</td>
<td>7 1 1</td>
</tr>
<tr>
<td>Dee Bradbury*</td>
<td>7 1 1</td>
<td>7 1 1</td>
<td>7 1 1</td>
</tr>
<tr>
<td>Bob Richmond*</td>
<td>7 6 6</td>
<td>7 6 6</td>
<td>7 6 6</td>
</tr>
<tr>
<td>Graeme Scott*</td>
<td>7 1 1</td>
<td>7 1 1</td>
<td>7 1 1</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>7 7 7</td>
<td>7 7 7</td>
<td>7 7 7</td>
</tr>
</tbody>
</table>

*denotes part year

Remuneration Committee

Chair: David McMillan

David McMillan, William Gardner (to 3 September 2020), Lesley Thomson, Malcolm Offord (3 September 2020) and Bob Richmond (from 3 September 2020) all served on this Committee during the 20/21 financial year.

The Committee is responsible for making recommendations within agreed terms of reference, on remuneration policies,
monitoring and approving Executive Directors’ and certain senior executive remuneration packages and changes to those, and the setting and monitoring of key performance targets and application of any incentive schemes in place. Approval of the remuneration of senior coaches and higher-earning players and any employee severance terms also fall within the Committee’s remit. External advice is obtained when needed.

Further information on the work of the Committee during the 20/21 financial year is contained within the Remuneration Report below.

The Committee met 6 times during the 20/21 financial year. All meetings were held by teleconference or videoconference, with decisions also made by electronic written resolution when required.

Attendance at the Committee’s meetings is summarised below.

### Remuneration Committee

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Number of Meetings</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malcolm Offord</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>William Gardner*</td>
<td>6</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Malcolm Offord*</td>
<td>6</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Bob Richmond*</td>
<td>6</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

*denotes part year

### Safeguarding, Wellbeing, Diversity & Inclusion Committee (Chair: Lesley Thomson QC)

The Committee is responsible for overseeing Scottish Rugby’s activity and policies on Safeguarding, wellbeing programmes such as Rugby for Life and Equality, Inclusion and Diversity matters.

Lesley Thomson QC chairs the committee, with William Gardner, Julia Bracewell and Malcolm Offord all serving during the year.

The Chief People & Engagement Officer and Head of People & Engagement also attend the Committee’s meetings with other colleagues attending as required. The Committee met 4 times during the financial year.

Attendance at the Committee’s meetings is summarised below.

### Safeguarding, Wellbeing, Diversity & Inclusion Committee

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Number of Meetings</th>
<th>Eligible</th>
<th>Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lesley Thomson</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Julia Bracewell</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>William Gardner</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Malcolm Offord</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>

Throughout the 2020/21 financial year the Committee received a number of presentations, and ongoing updates, on the following topics:

- **The Well-being of Scottish Rugby’s People during Covid-19** – As Covid-19 has continued to affect all aspects of Scottish Rugby’s operations, the Committee received regular updates from the People Department on the initiatives and measures put in place over this period and on the impact of the pandemic on Scottish Rugby’s employees, clubs and other relevant stakeholders. The Committee also considered the potential safeguarding effects the pandemic may have for clubs on the return to rugby and steps that could be taken to support them.
- **Diversity and Inclusion** – In FY19/20 at the request of the Committee, the People Department undertook an audit to establish what inclusion, diversity and equality activities were taking place across the business.

During FY20/21 the Committee received detailed updates on the findings from these audits, which formed a focus for the Committee.

The work on an overarching inclusion and diversity approach has continued at pace throughout the year, and forms a major part of the recently launched Strategic Plan. The Committee considered, discussed, and fed into this process at all stages.

At the Committee’s request Inclusion and Diversity Training was also provided to the Board, Executive team, the Strategic Leadership Group and Council colleagues.

Throughout the year, regular updates were provided to the Committee on the work of the Rugby Development Department in the planning of an Inclusion and Diversity Conference which took place (virtually) on 6 June 2021.

- **Black Lives Matter** – throughout the year the Committee considered the Black Lives Matter movement and carefully considered, and monitored, Scottish Rugby’s approach in this respect.
- **Rugby For Life** – Following Committee discussion, it was agreed that it was an appropriate time to assess the Rugby for Life Programme, with assistance from the People Department.

The review specifically considered the need for clinical psychology support as part of the programme from wellbeing and performance psychology perspectives.

Members of the High-Performance Department also updated the Committee on player well-being and off-field support. The extensive research and the recommendations that the High-Performance Department had undertaken were considered and discussed.

Player well-being and off-field support will continue to be a focus for the Committee over the coming year 2021/22.

- **Scottish Rugby Safeguarding Strategy** – Scottish Rugby’s Safeguarding Team updated the Committee on its work and any matters arising at each Committee Meeting. The Chair of the Committee attended the Safeguarding Team’s ‘tablettop’ training exercise which was developed with the input of the Committee.
- **Transgender Policy** – The Committee received regular updates on the topic of Transgender policies in sport, with particular reference to World Rugby’s policy.

The findings of Scottish Rugby’s pending consultation on its own Transgender Policy will form part of the Committee’s review of this policy in 21/22.

- **Historic Sexual Abuse Claims** – the Committee have closely followed the coverage of historic sexual abuse claims received by other sports. The Safeguarding Team have provided the Committee with regular updates on these matters and all measures taken by Scottish Rugby. The tablettop exercise referenced above covered a role play using an imaginary scenario of historic sexual abuse allegations being made and provided an opportunity for Scottish Rugby to test out its protocols and processes that are in place.
- **Policy Review** - Throughout year 2020/21, the Committee considered, and ultimately approved, the following policies: Whistleblowing Policy, Equality and Inclusion, Policy, Modern Slavery Act, and the Addictive Behaviours Policy.

### Governance Standards

All members of the Board and Council are normally required to comply with Scottish Rugby’s Code of Conduct for Board and Council members. This Code of Conduct was suspended by members’ motion at Stage 2 of the 2020 AGM (26 November 2020) for review by the Council. As at the 31 May 2021 financial year end, that review was continuing but has since been completed, with a new Code of Conduct approved by the Council. In the interim, Board and Council members continued to apply good governance principles and be subject to the general code of conduct applying under World Rugby regulations. No breaches or alleged breaches were reported in the year.

### Corporate Governance Review

The Council’s Standing Committee on Governance, under the independent Chairmanship of Gavin MacColl QC, was constituted in October 2020. The group has made significant progress reviewing the overall governance of Scottish Rugby, including obtaining independent legal advice on certain aspects of the structure. The members of the group have focused on reviewing the various options available to Scottish Rugby and deliberating on the structure going forward. The group’s work is continuing at pace with a view to consulting with the membership following the 2021 AGM.

Throughout the year, under the leadership of the Vice-President, work has also been undertaken on player payments and the 6 player movement. The Decision-Making Matrix and Code of Conduct have also been reviewed. This work has been undertaken with involved Club representation in various working parties. The revised Code of Conduct is now agreed and due to go live. After much consultation on the Decision-Making Matrix, it has been agreed upon recommendation from the Decision-Making Matrix Working Party that this should form part of the overall Governance Review.

### Remuneration Report

 Aggregate Emoluments to the Directors

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees and salaries</td>
<td>988</td>
<td>1,398</td>
</tr>
<tr>
<td>Contributions to pension schemes</td>
<td>36</td>
<td>29</td>
</tr>
<tr>
<td>Aggregate</td>
<td>1,024</td>
<td>1,427</td>
</tr>
</tbody>
</table>

In the financial year the highest paid Director received aggregate emoluments of £463k (2020: £454k), comprising salary and benefits of £403k (2020: £454k) and pension contributions of £nil (2020 £nil).

The amounts shown in the table of aggregate emoluments above for the prior year ended 31 May 2020 included provision for conditional Long Term Incentive Plan (“LTIP”) awards made in 2018/19 for participating Directors. By agreement with participants, payment of those conditional awards from 2018/19 was delayed to future dates spanning two financial years.

The LTIP terminated at 18/19 and was not replaced. Accordingly, no further awards were made in 2019/20 or in 2020/21.

Bonus awards were waived by the executive Directors in 19/20 and no discretionary bonus awards were made in FY20/21.

In addition to the absence of any provision for LTIP awards, the reduced aggregated fees and salaries figure stated above for FY2020/21 takes account of: (i) salary and fee reductions and waivers on regular contracted salary and fee rates originally volunteered by the Directors (executive and Non-executive) in April 2019 as a result of the impact of the Coronavirus pandemic and which continued until 31 May 2021; and (ii) the timing and effect of the changes to executive Director Board positions and the departure of the Chief Operating Officer during the year.

The core salary reductions agreed with executive Directors, a number of separation employees and players following an employee consultation process and negotiation with player representatives sat in a range of headline rates from 20% to 30%, depending on underlying salary level. These, together with Non-executive Director fee reductions and waivers, contributed to the cost savings and cash flow protection measures applied during the financial year.

Under the agreements entered into with executive Directors, senior employees and players, (i) base salaries for those affected returned on 1 June 2021 to the contracted pre-Covid levels; and (ii) in July 2021 a small portion of the reductions (25% of salary for the period between 1 September 2020 and 31 May 2021) was also reimbursed.

Non-executive Director fee rates were also restored to pre-Covid levels, with effect from 1 June 2021.

As a result of the Company’s financial performance and surplus generated, a further contractual reimbursement covering the period from 1 January 2021 to 31 May 2021 was also triggered for affected employees.

The aggregate emoluments of the Directors set out in the table above also include any reimbursements applied.
Identification of key performance indicators and a new framework of the benchmarking exercise undertaken, together with the information provided below refers to actual employee headcount numbers and core salary rates only, as at 31 May 2021 and reflects the salary reductions agreed as a result of the Coronavirus pandemic.

<table>
<thead>
<tr>
<th>EMPLOYEE CATEGORY</th>
<th>Under £5k</th>
<th>£5k - £75k</th>
<th>£75k - £100k</th>
<th>£100k - £200k</th>
<th>£200k+</th>
<th>Total employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coaches and Players</td>
<td>79</td>
<td>93</td>
<td>19</td>
<td>20</td>
<td>16</td>
<td>22</td>
</tr>
<tr>
<td>Core Employees</td>
<td>240</td>
<td>241</td>
<td>28</td>
<td>23</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

### Incentive Schemes and Reward
Scottish Rugby Union Limited has utilised various incentive schemes for employees and executive directors in previous years. The Company no longer operates a long term incentive plan; the previous plan terminated at FY18/19 and was not replaced. The Remuneration Committee’s work during FY20/21 included a detailed re-examination of the remaining discretionary incentive schemes and reward across the organisation and a comprehensive benchmarking exercise of all roles within the organisation, conducted with the assistance of external expert consultants. 300 separate roles within the organisation were examined, using six objective assessment factors and then benchmarked against 960 comparator organisations in five industry sectors in the United Kingdom excluding London, providing a detailed view of the salary reductions agreed as a result of the Coronavirus pandemic.

### Annual Bonus Schemes
Executive Directors have historically participated in a discretionary annual bonus scheme under which a percentage of annual salary of up to 30% could be earned if performance against certain annual targets was exceptional. The targets, the decision on whether those had been met, and the amount to be awarded (if any), was at the discretion of the Remuneration Committee. As a result of the disruption and detrimental financial impact caused by the Coronavirus pandemic, the Executive Directors each waived any potential entitlement under the 19/20 annual scheme, irrespective of whether any of the targets for that year had been met. No discretionary awards were made in 19/20 to any other employees.

Following consideration, and taking account of the impact of the Coronavirus pandemic on the organisation, the Remuneration Committee decided that it would not be appropriate for any discretionary bonus awards to be made to executive directors or other employees in financial year 2020/21. A discretionary bonus scheme will not be operated in financial year 21/22. Players and coaches have separate schemes within their contracts which relate to on-field success. The Committee’s work during financial year 2021/22 will include oversight of the implementation of various aspects of the benchmarking exercise undertaken, together with the identification of key performance indicators and a new framework against which the performance of executive directors and senior managers will be assessed, taking account of the organisation’s strategic objectives.

### Remuneration and Benefits of Council Members, and Non-Executive Directors
The normal fees to which Non-Executive Directors were entitled during the 19/20 financial year were reduced / disclaimed as a result of the impact of Coronavirus, and that approach continued during the 20/21 financial year. The actual fees paid to individuals during the 20/21 financial year also reflect part-year service in some cases, as well as the reductions and waivers applied, and are set out in the table below.

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Director’s Fee Rate**</th>
<th>Representative Bodies’ Fee £</th>
<th>Total Fee £</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Jeffrey</td>
<td>26,775 (£25,500)</td>
<td>£27,000 (6N)</td>
<td>76,275</td>
</tr>
<tr>
<td>Ian Barr</td>
<td>11,475</td>
<td>11,475</td>
<td>0</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>11,475</td>
<td>3,500 (WR)</td>
<td>14,975</td>
</tr>
<tr>
<td>Julia Bracwell</td>
<td>11,475</td>
<td>-</td>
<td>1,912</td>
</tr>
<tr>
<td>David McMillan</td>
<td>11,475</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Malcolm Ofori*</td>
<td>11,475</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Bob Richmond*</td>
<td>11,475</td>
<td>-</td>
<td>9,092</td>
</tr>
<tr>
<td>William Gardner</td>
<td>11,475</td>
<td>-</td>
<td>11,475</td>
</tr>
<tr>
<td>Graeme Scott*</td>
<td>11,475</td>
<td>-</td>
<td>2,391</td>
</tr>
<tr>
<td>Dave Bradbury*</td>
<td>11,475</td>
<td>-</td>
<td>2,391</td>
</tr>
</tbody>
</table>

Notes:
1. World Rugby, British & Irish Lions (BIL) and Six Nations (6N) compensate the representatives/directors serving on those bodies for their services and the service fees paid to the Scottish Rugby representatives involved were as noted above. Any fees payable by those bodies during the financial year to Mark Dodson (WR, BIL and 6N)) were disclaimed and are retained by Scottish Rugby.
2. John Jeffrey is a Scottish Rugby representative at 6Ns Council (Chair) and at World Rugby, both of which involve substantial time commitments. Fees payable to him by those bodies are set out in the table above.
3. Mark Dodson and Robert Howat were Scottish Rugby’s nominated Board Members of European Professional Club Rugby for part of the financial year. No fees were payable by EPCR or Scottish Rugby for their services.

### Expenses of Council Members, and Non-Executive Directors
Council members, including the President and Vice-President are volunteers and are not paid for their involvement, other than the reimbursement of expenses wholly, properly and legitimately incurred on Scottish Rugby business. As part of their duties, Council and Board members are expected to attend various international and domestic rugby matches and functions in an official capacity and on those occasions Scottish Rugby will meet the reasonable costs of travel, subsistence and accommodation for attending, in accordance with the Company’s expenses policy.

As a result of the Coronavirus pandemic and accompanying restrictions on travel and attendance at events, no cost was incurred for these purposes in the 20/21 financial year. Total expenses claimed by Council members and Non-Executive Directors in the 20/21 financial year such as for travel, mileage and subsistence were £nil.

Expenses (if any) incurred by representatives/Directors serving on international bodies are normally reclaimed directly from that body in accordance with the relevant body’s own expenses policy.

### REGISTERED OFFICE AND ADVISERS

<table>
<thead>
<tr>
<th>Registered Office</th>
<th>BT Murrayfield Stadium Edinburgh, EH12 5PU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bankers</td>
<td>Bank of Scotland</td>
</tr>
<tr>
<td></td>
<td>Head Office</td>
</tr>
<tr>
<td></td>
<td>The Mound Edinburgh, EH1 1YZ</td>
</tr>
<tr>
<td>Auditors</td>
<td>PricewaterhouseCoopers LLP</td>
</tr>
<tr>
<td></td>
<td>Level 4, Atica One</td>
</tr>
<tr>
<td></td>
<td>144 Morrison Street Edinburgh, EH3 8EX</td>
</tr>
<tr>
<td>Solicitors</td>
<td>Pinsent Masons</td>
</tr>
<tr>
<td></td>
<td>Princes Exchange</td>
</tr>
<tr>
<td></td>
<td>1 Earl Grey Street Edinburgh, EH3 9AQ</td>
</tr>
</tbody>
</table>
Under the powers delegated by the Bye-Laws of Scottish Rugby Union the Directors of Scottish Rugby Union Limited in their capacity as the Scottish Rugby Board present their report and the audited consolidated financial statements for the year ended 31 May 2021. Scottish Rugby Union Limited is a private company limited by shares and is incorporated in Scotland.

An overview and review of the Union can be found in the Business Review, within the Strategic Report, on pages 47-51.

Going Concern and Outlook

In determining whether the going concern basis of preparation for the financial statements is appropriate, the Directors have considered the sources of revenue, the ongoing running costs of all aspects of the Group’s operations and the availability of funding. All of this has been considered against the ongoing impact of the Coronavirus pandemic. The Directors have prepared a base case cash flow forecast and a severe but plausible downside forecast covering the going concern period and beyond.

While the pandemic resulted in postponement of both the Guinness Pro 14 19/20 season and the 2020 Guinness Six Nations Championship, these tournaments were completed during calendar year 2020. The 2020/21 Guinness Pro 14 season has also been completed and the 2021 Guinness Six Nations Championship, while suffering some disruption due to the pandemic, was also completed. These tournaments are key drivers in the Union’s revenue sources from the national team and the professional teams.

The key revenue sources of the Group are broadcasting, sponsorship, sale of tickets and other match day income. The Directors have considered the ongoing impact of the pandemic on each of these sources. As elite sport is ongoing, with suitable coronavirus precautions, the contractual nature of broadcasting and sponsorship income means that these revenue sources are less likely to be impacted by the pandemic and amounts are relatively certain. With crowds now returning to venues, there is less risk than in the prior year in relation to ticket income and other match day income. This has been factored into the cash flow forecasts prepared by the Directors.

The cost base is largely fixed, although with many costs and planned expenditure at the discretion of the Group. Scottish Rugby has taken advantage of the Government’s Covid-19 job retention scheme and plans to continue so whilst the scheme is available and certain roles and functions cannot be carried out due to social distancing and other restrictions being in place. In the course of the year, funds were received from the PRO14 transaction, World Rugby (£5m), and government grant (£15m) and loan (£5m) funds. These receipts have contributed to a significantly stronger Balance Sheet position at 31 May 2021 than in the prior year. A working capital facility and a revolving credit facility of £8.5m are in place. These factors have also been factored into the cash flow forecasts prepared by the Directors.

The Directors’ base case cash flow forecast which shows clear liquidity headroom through the going concern period is based on the following key assumptions:

- Full attendance possible for the 2021 Autumn Internationals and the 2022 Guinness Six Nations Championship
- Utilisation of the Government Coronavirus Job Retention Scheme until September 2021

As the Directors recognise that there remains a risk in relation to when full crowds are allowed to resume at live sporting events, the base case has also been sensitised to reflect a number of alternative assumptions, including a severe but plausible downside scenario that has been prepared. The severe but plausible downside scenario is based on the following assumptions:

- Nil attendance for the 2021 Autumn Internationals, the 2022 Guinness Six Nations Championship, and professional team matches for season 2021/22
- Consideration of further mitigating actions available to Scottish Rugby, for example a delay, or reduction in budgeted discretionary spend

In this severe but plausible downside scenario there is still sufficient liquidity headroom throughout the going concern period.

Based on this assessment of the Group’s financial position, forward cash flow projections, and consideration of the effects, and possible future effects, of Covid-19, as well as a number of assumptions, mitigating measures already taken and further measures which could be taken including cost reductions, the Directors have a clear and reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and do not foresee a scenario where additional funds will be required. The Directors are therefore satisfied to adopt the going concern basis in preparing the financial statements.

Employees

We aim to be a fully inclusive organisation where everyone is treated with dignity and respect and where inclusion and diversity is valued across all of the recognised equality strands detailed within the Equality Act 2010. We are committed to providing equal opportunities throughout recruitment, employment, training and career development and have a comprehensive Equal Opportunities Employment Policy, Inclusion & Diversity Policy and several other related policies that support the nine protected characteristics within the Equality Act. The Equality Act 2010 is our minimum standard for diversity. We use this as the starting point to build maximum inclusion across Scottish Rugby. Our aim is that at each stage of our employee experience, our practices will increase diversity and continue to enhance a fully inclusive culture in all areas of our organisation. This culture is built by each person feeling valued, knowing their purpose in the organisation and being connected to colleagues. As we attract candidates to apply for vacancies at Scottish Rugby, we continually look to widen our reach, on occasion specifically targeting under represented groups. As our people develop their careers, we ensure opportunities are open to all and encourage changes in direction to develop new skills and retain our talent. Scottish Rugby remains a Disability Confident Employer and has Silver status on the Armed Forces Covenant.

We are committed to being an organisation where inclusion and diversity are at the heart of everything we do. Whether an employee, player, a member club, a sponsor/partner, or a rugby fan; we want to ensure each and every interaction is one where everyone is treated with dignity, respect and an inclusive mindset.
UK Energy Use and GHG Emissions

The tables below detail the energy used by the Group in its business activities involving the combustion of gas and fuels, the purchase of electricity and business mileage, in both kWh and tCO2e. They also detail the total energy and emissions by scope and as a total, with comparison to the prior year.

### Principal Energy Efficiency Actions

The Group notes a slight increase in Intensity Ratio during the year, which is primarily in relation to the increase in natural gas usage, resulting from the installation of new boilers and meter recalibration. The utilisation of the boilers has already been refined and will continue to be so during the coming year, as the Group looks to drive energy efficiencies from these and its other plant assets.

The Group continues to explore opportunities to lower energy consumption. Replacement of lighting and a switch to LED is being considered, with the initial focus on the stadium concourse areas and reduction in electricity usage that this could bring, compared with energy consumed from traditional bulb lighting currently in place.

As at the reporting date, there were two electric vehicle charging points in place at BT Murrayfield Stadium with the UK Government announcing phasing out of diesel-powered vehicles and resulting potential for increased demand in electric, there is the potential to increase this in the future.

In more general terms, the potential change in working patterns and locations following the global Coronavirus pandemic and ‘lockdown’ restrictions are likely to reduce the amount of mileage and locations following the global Coronavirus pandemic and ‘lockdown’ restrictions are likely to reduce the amount of mileage and carbon emissions generated by the Group’s workforce. This is also likely to be reflected in reduced air travel, given the technological scope and opportunities now in place to conduct virtual meetings.

### Methodology

The framework followed to calculate the required information in this report was the GHG Reporting Protocol - Corporate Standard. Data has been provided from the following sources:

- 50% of data from invoices and where use of those premises is variable and shared with a number of other parties. Consumption data for those premises is not yet available to the Group, nor has it been possible to provide a reliable estimate of energy use attributable to the Group in those circumstances.

#### Statement of Directors’ responsibilities

The Directors are responsible for preparing the non-statutory group financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, thus enabling them to fulfil their obligation to obtain an audit of Scottish Rugby Union’s group financial statements.

The Directors must not approve the non-statutory Union financial statements unless they are satisfied that the non-statutory group financial statements give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that year. In preparing the non-statutory financial statements, the Directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- stating whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are reasonable and prudent; and
- preparing the non-statutory financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in business.

The Directors are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Union’s transactions and disclose with reasonable accuracy at any time the financial position of the Union.

The Directors are responsible for the maintenance and integrity of the Union’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Director in office at the date the Directors’ Report was approved:

- as a director in order to make themselves aware of any information of which the Union’s auditors are unaware; and
- stating whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.

**Intensity Ratio**

The Group has calculated emissions per a relevant unit of measure.

**Intensity Ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
<tr>
<td>2019/20</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
</tbody>
</table>

**SCOPE**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>6,836,545</td>
<td>1,257</td>
<td>1,018</td>
</tr>
<tr>
<td>2019/20</td>
<td>6,836,545</td>
<td>1,257</td>
<td>1,018</td>
</tr>
</tbody>
</table>

**Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
<tr>
<td>2019/20</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
</tbody>
</table>

**FTE number of employees**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>432</td>
</tr>
<tr>
<td>2019/20</td>
<td>422</td>
</tr>
</tbody>
</table>

**Intensity Ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>FTE</th>
<th>CO2e / FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>5.04</td>
<td>5.04</td>
</tr>
<tr>
<td>2019/20</td>
<td>5.01</td>
<td>5.01</td>
</tr>
</tbody>
</table>

*Based on average monthly number of employees in the year with Full Time Equivalent status.

**SCOPE 1**

**Direct GHG Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>6,836,545</td>
<td>1,257</td>
<td>1,018</td>
</tr>
<tr>
<td>2019/20</td>
<td>6,836,545</td>
<td>1,257</td>
<td>1,018</td>
</tr>
</tbody>
</table>

**SCOPE 2**

**Energy Indirect Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
<tr>
<td>2019/20</td>
<td>4,178,997</td>
<td>887</td>
<td>990</td>
</tr>
</tbody>
</table>

**SCOPE 3**

**Other Indirect Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
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<td>105</td>
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<tr>
<td>2019/20</td>
<td>140,740</td>
<td>34</td>
<td>105</td>
</tr>
</tbody>
</table>

**Total**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Use (kWh)</th>
<th>GHG Emissions (tCO2e)</th>
<th>GHG Emissions (tCO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020/21</td>
<td>11,156,282</td>
<td>2,178</td>
<td>2,113</td>
</tr>
<tr>
<td>2019/20</td>
<td>11,156,282</td>
<td>2,178</td>
<td>2,113</td>
</tr>
</tbody>
</table>

### UK which are not owned, operated or controlled by the Group, and where use of those premises is variable and shared with a number of other parties. Consumption data for those premises is not yet available to the Group, nor has it been possible to provide a reliable estimate of energy use attributable to the Group in those circumstances.

The Directors are responsible for preparing the non-statutory group financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, thus enabling them to fulfil their obligation to obtain an audit of Scottish Rugby Union’s group financial statements.

The Directors must not approve the non-statutory Union financial statements unless they are satisfied that the non-statutory group financial statements give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that year. In preparing the non-statutory financial statements, the Directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- stating whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are reasonable and prudent; and
- preparing the non-statutory financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in business.

The Directors are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Union’s transactions and disclose with reasonable accuracy at any time the financial position of the Union.

The Directors are responsible for the maintenance and integrity of the Union’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Director in office at the date the Directors’ Report was approved:

- as a director in order to make themselves aware of any information of which the Union’s auditors are unaware; and
- stating whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.

**Independent Auditors**

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term.
Responsibilities for the Financial Statements and the audit
Responsibilities of the directors for the financial statements
As explained more fully in the Statement of Directors’ responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Based on our understanding of the group and industry, we identified the principal risks of non-compliance with laws and regulations related to the Union Byelaws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to areas of estimation uncertainty in the financial statements and posting of inappropriate journal entries in order to improve reported performance. Audit procedures performed by the engagement team included:

• Discussion with management and individuals outside the finance function, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
• Understanding management’s controls designed to prevent and detect irregularities.
• Review of Board minutes.
• Challenging assumptions and judgements made by management in its significant accounting judgements, particularly in respect of revenue recognition.

• Identifying and testing journal entries which improved the reported results, in particular any journal entries posted by unexpected users and journals posted in unexpected combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report.

Use of this Report
This report, including the opinion, has been prepared for and only for the Unions’ directors as a body for their governance purpose in connection with the Union’s Byelaws and in accordance with our engagement letter dated 7 May 2021 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the Union, save where expressly agreed by our prior consent in writing.

Other Matter
We draw attention to the fact that these financial statements have not been prepared under section 394 of the Companies Act 2006 and are not the Unions’ statutory financial statements.
FINANCIAL STATEMENTS

PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (“FRS 102”).

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

Going Concern

In determining whether the going concern basis of preparation for the financial statements is appropriate, the Directors have considered the sources of revenue, the ongoing running costs of all aspects of the Group’s operations and the availability of funding. All of this has been considered against the ongoing impact of the Coronavirus pandemic. The Directors have prepared a base case cash flow forecast and a severe but plausible downside forecast covering the going concern period and beyond.

While the pandemic resulted in postponement of both the Guinness Pro 14 19/20 season and the 2020 Guinness Six Nations Championship, these tournaments were completed during calendar year 2020. The 2020/21 Guinness Pro 14 season has also been completed and the 2021 Guinness Six Nations Championship, while suffering some disruption due to the pandemic, was also completed. These tournaments are key drivers in the Union’s revenue sources from the national team drivers in the Union’s revenue sources from the national team.

The key revenue sources of the Group are broadcasting, sponsorship, sale of tickets and other match day income. The Directors have considered the ongoing impact of the pandemic on each of these sources. At elite sport is ongoing, with suitable coronavirus precautions, the contractual nature of broadcasting and sponsorship income means that these revenue sources are less likely to be impacted by the pandemic and amounts are relatively certain. With crowds now returning to venues, there is less risk than in the prior year in relation to ticket income and other match day income. This has been factored into the cash flow forecasts prepared by the Directors.

The cost base is largely fixed, although with many costs and planned expenditure at the discretion of the Group. Scottish Rugby has taken advantage of the Government’s Covid-19 job retention scheme and plans to continue to do so whilst the scheme is available and certain roles and functions cannot be carried out due to social distancing and other restrictions being in place. In the course of the year, funds were received from the PRO14 transaction, World Rugby (£1m), and government grant (£15m) and loan (£5m) funds. These receipts have contributed to a significantly stronger Balance Sheet position at 31 May 2021 than in the prior year. A working capital facility and a revolving credit facility of £8.5m are in place. These factors have also been factored into the cash flow forecasts prepared by the Directors.

The Directors’ base case cash flow forecast which shows clear liquidity headroom through the going concern period is based on the following key assumptions:

• Full attendance possible for the 2021 Autumn Internationals and the 2022 Guinness Six Nations Championship
• Utilisation of the Government Coronavirus Job Retention Scheme until September 2021

As the Directors recognise that there remains a risk in relation to when full crowds are allowed to resume at live sporting events, the base case has also been sensitised to reflect a number of alternative assumptions, including a severe but plausible downside scenario that has been prepared. The severe but plausible downside scenario is based on the following assumptions:

• Nil attendance for the 2021 Autumn Internationals, the 2022 Guinness Six Nations Championship, and professional teams matches for season 2021/22
• Consideration of further mitigating actions available to Scottish Rugby, for example a delay or reduction in budgeted discretionary spend

In this severe but plausible downside scenario there is still sufficient liquidity headroom throughout the going concern period.

Based on this assessment of the Group’s financial position, forward cash flow projections, and consideration of the effects, and possible future effects, of Covid-19, as well as a number of assumptions, mitigating measures already taken and further measures which could be taken including cost reductions, the Directors have a clear and reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and do not foresee a scenario where additional funds will be required. The Directors are therefore satisfied to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements cover the year to 31 May 2021 and include the Scottish Rugby Union, a mutual organisation, its subsidiary undertakings for accounting purposes Scottish Rugby Union Limited, Edinburgh Rugby Limited, Glasgow Warriors Limited, Saltire Rugby Holdings Limited, and The Murrayfield Experience Limited, and a related body, the Thistle Rugby Trust. The parent body, Scottish Rugby Union, has not traded during either the current or previous years and its only assets and liabilities are its investment in, and loans from, Scottish Rugby Union Limited of £50,000.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the surplus or deficit arising on transactions with associates to the extent of the Group’s interest in the entity.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting. Where the group conclude that it does not exert significant influence entities are accounted for as fixed asset investments.

Functional and Presentational Currency

Both the functional and presentational currency of the Union is Pounds Sterling.

Turnover and Other Income

Turnover represents ticket sales, broadcasting revenue, commercial income (including barter transactions) and all other income and is stated net of VAT. Ticket revenue is recognised in the period during which the related event has taken place. Broadcasting revenue related to specific events is recognised during the period in which the event takes place; broadcasting revenue in relation to tournaments is recognised in a period in proportion to the stage of completion of the relevant tournament and to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity. Commercial and all other income is recognised over the period of the individual agreements, based on the relevant contractual terms. Where consideration is received in kind, income and expenditure are grossed up on the basis of arm’s length commercial rates.

Tangible Assets

The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Significant sums are spent on maintenance of the Union’s main asset, BT Murrayfield Stadium, therefore the de-minimus level for capitalisation of assets has been set at £10,000 for the first three asset categories below and at £5,000 for other equipment. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the
assets concerned. The straight line basis is used in respect of all assets and the principal annual depreciation rates are:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Annual Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Nil</td>
</tr>
<tr>
<td>Stands and Heritable property</td>
<td>1 - 20%</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>4 - 25%</td>
</tr>
<tr>
<td>Other equipment</td>
<td>7 - 50%</td>
</tr>
</tbody>
</table>

No depreciation is charged on Assets Under Construction.

Intangible Assets

Intangible assets comprise computer related software. The cost of intangible fixed assets is their purchase cost, together with any incidental costs of acquisition. The level of capitalisation of intangible fixed assets has been set at £5,000. Amortisation is calculated so as to write off the cost of intangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. The straight line basis is used in respect of all assets and the principal annual amortisation rates are:

| Intangible Fixed Assets | 5 - 10% |

Investment in subsidiaries, associates and other investments

Investments in subsidiaries, associates and other fixed asset investments are included at cost less any accumulated impairment losses. Dividends received are recognised in the income and expenditure account when the right to receive payment is established.

Deferred Income

Capital grants and debenture premiums are transferred to deferred income and amortised over the estimated useful life of the associated fixed assets or the life of the debenture, respectively. Income which is received in advance of the period to which it relates is classified as Advance Receipts.

Debenture issue costs

The costs associated with the issue of capital instruments are charged to the income and expenditure account on an annual basis over the minimum period remaining until the redemption of the associated instrument.

Pension costs

Contributions are made by the Union to money purchase scheme pension arrangements for certain employees. Amounts due to assurance companies are charged against the income and expenditure account in the same period as the related expenses. The Coronavirus Job Retention Scheme has been utilised in the course of the year, with sums relating to the financial year being credited to the income and expenditure account in the same period as the related expenses.

Taxation

The Union has mutual trading status for taxation purposes as regards its trading activities with the members and pays tax only on the profit derived from trading with non-members. Deferred Taxation is recognised on all timing differences where the transaction or events that give rise to an obligation to pay more, or less, tax in the future have occurred by the Balance Sheet date. Deferred tax assets are recognised when it is probable that they will be recovered. The tax rates in force at the Balance Sheet date are used to calculate the need for any deferred tax provision or asset.

Long term incentive plan

Various bonus schemes, including annual bonus schemes and a Long Term Incentive Plan ("LTIP") had been operated in recent years. The most recently ended scheme commenced in FY 15/16, for a 5-year period, with FY19/20 being its last year. A liability for the plan was raised on the estimated amount payable in terms of the incentive scheme plans. The LTIP was terminated at year 4, with no awards made for year 5 (FY19/20) and has not been replaced.

Financial Instruments

The Union has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial Assets

Basic financial assets, including trade and other payables, cash and bank balances and loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is forward converted at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting year financial assets measured at amortised cost are assessed for objective evidence of impairment. They are first assessed individually for impairment, or collectively where the debtors are not individually significant. Where there is no objective evidence of impairment for an individual debtor, it is included in a group of debtors with similar credit risk characteristics and these are assessed collectively for impairment based on their ageing. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in the Income Statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Other financial assets, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Income Statement, unless they are included in a hedging arrangement, and except that gains and losses in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) the entity no longer has the risks and rewards of ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the economic ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within the next year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The derivative instruments utilised by the Union are interest rate swaps designated as cash flow hedges, and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their market value on the market price date from relevant counterparties. Changes in the fair value of derivatives are recognised in the Income Statement in finance costs or finance income as appropriate unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, which is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the carrying amounts in cash and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iv) Hedging arrangements

The Union applies hedge accounting in respect of forward foreign exchange contracts held to manage the cash flow exposures of forecast transactions denominated in foreign currencies. These foreign exchange hedges have been designated as cash flow hedges.

The Union also applied hedge accounting for transactions entered into to manage the cash flow exposures of borrowings. Interest rate swaps were held to manage the interest rate exposures and were designated as cash flow hedges of floating rate borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in equity. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the Income Statement.

The gain or loss recognised in Other Comprehensive Income is reclassified to the Income Statement when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

Public benefit entity concessionary loans (including debentures)

In determining whether or not amounts received (including debentures) from third parties are financial liabilities, consideration is given to the terms and whether or not the Union has the unconditional right to avoid settling in cash or other financial assets and whether settlement is dependent on the occurrence or non-occurrence of uncertain future events beyond the Company and the third party’s control. Where there is not an unconditional right the amounts received are accounted for as concessionary loans arrangements, when received for the purpose of furthering the primary objective of the Group. This includes any debentures, bank loans or other Government loans received below the prevailing market rate of interest which are initially measured at the amount received. In subsequent years, the carrying amount of concessionary loans in the financial statements is adjusted to reflect any accrued interest payable or receivable.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors consider that their assessment of the going concern basis of preparation for the Financial Statements is a critical accounting judgement. Other than the elements outlined in the area of going concern, the directors do not consider that there are any further key accounting judgements and estimates in the preparation of these financial statements.
## CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
for the year ended 31 May 2021

<table>
<thead>
<tr>
<th>Notes</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticket Income</td>
<td>-</td>
<td>10,524</td>
</tr>
<tr>
<td>Broadcasting Revenues</td>
<td>19,620</td>
<td>11,011</td>
</tr>
<tr>
<td>Commercial Income</td>
<td>8,543</td>
<td>9,879</td>
</tr>
<tr>
<td>Professional Rugby</td>
<td>5,400</td>
<td>10,139</td>
</tr>
<tr>
<td>Development Income &amp; Grants</td>
<td>17,864</td>
<td>10,620</td>
</tr>
<tr>
<td>Hospitality and Other Income</td>
<td>1,071</td>
<td>3,295</td>
</tr>
<tr>
<td>Turnover and Other Income</td>
<td>52,498</td>
<td>55,468</td>
</tr>
</tbody>
</table>

### Costs

<table>
<thead>
<tr>
<th>Costs</th>
<th>2021 £000</th>
<th>2020 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>International and Professional Rugby</td>
<td>(27,688)</td>
<td>(31,677)</td>
</tr>
<tr>
<td>Domestic and Performance Rugby</td>
<td>(6,704)</td>
<td>(9,358)</td>
</tr>
<tr>
<td>Commercial and Operation</td>
<td>(32,530)</td>
<td>(15,165)</td>
</tr>
<tr>
<td>Club Support and Development</td>
<td>(1,889)</td>
<td>(2,982)</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>(1,784)</td>
<td>(1,562)</td>
</tr>
<tr>
<td>Total Costs</td>
<td>(50,595)</td>
<td>(60,744)</td>
</tr>
</tbody>
</table>

### Operating Surplus / (Deficit)

| Income from investments 7          | 7,139     | 8,381     |
| Gain on disposal of commercial rights | 2,716     | -         |
| Surplus before interest and taxation | 11,758    | 3,105     |

### Net Interest

| Net Interest 3                     | (184)     | (236)     |

### Surplus before taxation

| Surplus before taxation 1           | 11,574    | 2,869     |

### Tax on surplus on ordinary activities 4

| Tax on surplus on ordinary activities | (1,054)  | -         |

### Surplus for the financial year 17

| Surplus for the financial year | 10,520    | 2,869     |

The turnover and operating surplus / (deficit) shown above are derived from continuing operations within the UK.

---

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 May 2021

<table>
<thead>
<tr>
<th>Notes</th>
<th>2021 £000</th>
<th>2020 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for the financial year</td>
<td>10,520</td>
<td>2,869</td>
</tr>
</tbody>
</table>

### Other comprehensive income / (expenditure):

- Cash Flow hedges:
  - Change in value of interest rate hedging instruments - (10)
  - Change in value of foreign exchange hedging instruments 276 (14)

### Other comprehensive income / (expenditure) for the year

| Other comprehensive income / (expenditure) for the year | 276 (24) |

### Total comprehensive income for the year

| Total comprehensive income for the year | 10,796    | 2,845     |
CONSOLIDATED BALANCE SHEET

as at 31 May 2021

<table>
<thead>
<tr>
<th>Notes</th>
<th>£000 2021</th>
<th>£000 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets 5</td>
<td>43,167</td>
<td>41,477</td>
</tr>
<tr>
<td>Intangible assets 6</td>
<td>593</td>
<td>614</td>
</tr>
<tr>
<td>Investments 7</td>
<td>881</td>
<td>663</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>44,641</td>
<td>42,754</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments 10</td>
<td>220</td>
<td>148</td>
</tr>
<tr>
<td>Debtors 8</td>
<td>5,525</td>
<td>8,753</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>20,655</td>
<td>5,485</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>10</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>26,410</td>
<td>14,409</td>
</tr>
<tr>
<td><strong>Net Current Assets / (Liabilities)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments 9</td>
<td>(23,079)</td>
<td>(24,707)</td>
</tr>
<tr>
<td><strong>Net Current Assets / (Liabilities)</strong></td>
<td>3,331</td>
<td>(10,459)</td>
</tr>
<tr>
<td>Provisions for liabilities 11</td>
<td>-</td>
<td>(99)</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities and provisions</strong></td>
<td>47,972</td>
<td>32,196</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due after more than one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank and Other Loans 9</td>
<td>5,000</td>
<td>-</td>
</tr>
<tr>
<td>Derivative Financial Instruments 10</td>
<td>-</td>
<td>43</td>
</tr>
<tr>
<td>Deferred Income 12</td>
<td>1,591</td>
<td>1,650</td>
</tr>
<tr>
<td>Ten Year Debentures 13</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Murrayfield Debentures 14</td>
<td>32,032</td>
<td>31,950</td>
</tr>
<tr>
<td>Irredeemable Debentures 15</td>
<td>97</td>
<td>97</td>
</tr>
<tr>
<td><strong>Total Capital and Reserves</strong></td>
<td>38,720</td>
<td>33,740</td>
</tr>
</tbody>
</table>

**Capital and Reserves**

General reserve 17 | 9,032 | (1,488) |
Hedging reserve | 220 | (56) |
**Total Capital and Reserves Surplus / (Deficit)** | 9,252 | (1,544) |

The financial statements on pages 70 to 89 were approved by the Scottish Rugby Board and signed on its behalf on 23 July 2021 by:

John Jeffrey, Chairman

Mark Dodson, Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 May 2021

<table>
<thead>
<tr>
<th>General Reserve</th>
<th>Hedging Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000 2019</td>
<td>£000 2020</td>
<td>£000 2021</td>
</tr>
<tr>
<td>Balance as at 1 June 2019</td>
<td>(4,357)</td>
<td>(32)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>2,869</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive expense for the year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value loss on interest rate derivative financial instrument</td>
<td>-</td>
<td>(10)</td>
</tr>
<tr>
<td>Fair value loss on foreign exchange derivative financial instrument</td>
<td>-</td>
<td>(14)</td>
</tr>
<tr>
<td><strong>Total other comprehensive expense for the year</strong></td>
<td>-</td>
<td>(24)</td>
</tr>
<tr>
<td>Balance as at 31 May 2020</td>
<td>(1,488)</td>
<td>(56)</td>
</tr>
<tr>
<td>Balance as at 1 June 2020</td>
<td>(1,488)</td>
<td>(56)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>10,520</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income for the year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value gain on foreign exchange derivative financial instrument</td>
<td>-</td>
<td>276</td>
</tr>
<tr>
<td><strong>Total other comprehensive income for the year</strong></td>
<td>-</td>
<td>276</td>
</tr>
<tr>
<td>Balance as at 31 May 2021</td>
<td>9,032</td>
<td>220</td>
</tr>
</tbody>
</table>

The hedging reserve is used to record transactions arising from the Union's cash flow hedging arrangements. Fair value losses and gains on foreign exchange derivative financial instruments are shown net of tax.
## CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 May 2021

<table>
<thead>
<tr>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>Net cash generated from / (used in) operating activities</td>
<td>18</td>
<td>9,391</td>
</tr>
<tr>
<td>Cash Flow from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to acquire Tangible Assets</td>
<td>(3,189)</td>
<td>(4,841)</td>
</tr>
<tr>
<td>Payments to acquire Intangible Assets</td>
<td>(101)</td>
<td>(113)</td>
</tr>
<tr>
<td>Payments to acquire Fixed Asset Investments</td>
<td>(218)</td>
<td>(613)</td>
</tr>
<tr>
<td>Dividend received</td>
<td>7,139</td>
<td>8,381</td>
</tr>
<tr>
<td>Cash received on disposal of commercial rights</td>
<td>-</td>
<td>2,716</td>
</tr>
<tr>
<td>Net cash generated from investing activities</td>
<td>6,347</td>
<td>2,814</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of bank loan</td>
<td>(5,407)</td>
<td>-</td>
</tr>
<tr>
<td>Receipt from bank loan facility</td>
<td>-</td>
<td>2,407</td>
</tr>
<tr>
<td>Receipt of other loans</td>
<td>5,000</td>
<td>-</td>
</tr>
<tr>
<td>Financial lease</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest paid on bank overdrafts and loans</td>
<td>(174)</td>
<td>(216)</td>
</tr>
<tr>
<td>Net cash (used in) / generated from financing activities</td>
<td>(581)</td>
<td>2,191</td>
</tr>
<tr>
<td>Net increase in cash at bank and in hand</td>
<td>15,157</td>
<td>965</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>5,508</td>
<td>4,543</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the financial year</td>
<td>20,665</td>
<td>5,508</td>
</tr>
</tbody>
</table>

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Surplus on ordinary activities before taxation

The surplus on ordinary activities before taxation is stated after crediting:
- Recognition of deferred income
  - 2021: 59 £000
  - 2020: 52 £000
- Barter transaction sponsorship income
  - 2021: 1,134 £000
  - 2020: 1,236 £000

And after charging:
- Auditors' remuneration
  - 2021: 69 £000
  - 2020: 41 £000
- Auditors' fees for non-audit services
  - Tax compliance
    - 2021: 11 £000
    - 2020: 9 £000
  - Tax advisory
    - 2021: 47 £000
    - 2020: 79 £000
  - Corporate Finance Advisory
    - 2021: - £000
    - 2020: 33 £000
  - Other
    - 2021: - £000
    - 2020: 3 £000

- Depreciation charge for the year:
  - Owned fixed assets
    - 2021: 1,662 £000
    - 2020: 1,457 £000
  - Amortisation charge for the year:
    - Owned intangible assets
      - 2021: 122 £000
      - 2020: 105 £000
  - Operating lease rentals
    - Plant & Machinery
      - 2021: 5 £000
      - 2020: 15 £000
    - Other
      - 2021: 409 £000
      - 2020: 409 £000
  - Barter transaction sponsorship costs
    - 2021: 1,134 £000
    - 2020: 1,236 £000
  - Administrative and management expenses
    - 2021: 3,794 £000
    - 2020: 3,973 £000
2. Staff Costs

The average monthly number of persons employed during the year who are involved in and support the Scottish game was:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2021</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rugby</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Players</td>
<td>111</td>
<td>115</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Teams - Coaching &amp; Operations</td>
<td>40</td>
<td>39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Team - Coaching &amp; Operations</td>
<td>12</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elite Development Players &amp; Coaches</td>
<td>33</td>
<td>37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic &amp; Performance</td>
<td>84</td>
<td>88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strength &amp; Conditioning</td>
<td>21</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical &amp; Physiotherapy</td>
<td>22</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stadium Operations</td>
<td>47</td>
<td>47</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial, marketing &amp; other corporate functions</td>
<td>66</td>
<td>69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>323</td>
<td>329</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Within these figures:

- **Domestic & Performance** includes employees within the FOSROC Academy, Rugby Development Support, Services, Participation and Development, Training & Education, Outreach & Equality, Schools & Youth, Domestic and Elite Refereeing, and Age Grade & Other Coaches.
- **Stadium Operations** includes staff involved in Event Management, Ticketing and Stadium, Pitch & Grounds Maintenance.
- **Commercial, marketing & other corporate functions** includes Commercial & Marketing, People & Communications, Finance & IT, Governance and Office Management.

Employment costs:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>25,806</td>
<td>27,396</td>
</tr>
<tr>
<td>Social security costs</td>
<td>3,094</td>
<td>3,288</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>792</td>
<td>871</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>29,692</td>
<td>31,555</td>
</tr>
</tbody>
</table>

The above costs are prior to any Coronavirus Job Retention Scheme grant claims.

At the year end the pension accrual was £298k (2020 - £291k).

3. Net Interest

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest payable on bank overdrafts</td>
<td>-</td>
<td>(102)</td>
</tr>
<tr>
<td>Amortisation of Debenture issue costs</td>
<td>-</td>
<td>(82)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>(184)</td>
<td>(236)</td>
</tr>
</tbody>
</table>

The rates of interest on the Union’s term loan borrowings are included in Note 10.

4. Tax on surplus on ordinary activities

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>On surplus arising from non-mutual trading</td>
<td>1,054</td>
<td>-</td>
</tr>
<tr>
<td>Origination and reversal of timing differences</td>
<td>(1,785)</td>
<td>(861)</td>
</tr>
<tr>
<td>Movement in deferred tax unprovided</td>
<td>1,785</td>
<td>861</td>
</tr>
<tr>
<td><strong>Tax on surplus</strong></td>
<td>1,054</td>
<td></td>
</tr>
</tbody>
</table>

Effects of:

- Net expenses not deductible for tax purposes | 2,068 | 207 |
- Crystallisation of tax losses | (2,004) | 947 |
- Income not subject to tax | (1,356) | (1,952) |
- Non-taxable mutual profits | - | (238) |
- Depreciation in excess of capital allowances | 142 | 124 |
- Movement in other timing differences | 16 | 16 |
- Pension creditor | (11) | (9) |
| **TOTAL** | 1,054 | |

The Union has gross taxable profits arising in the year of £nil (2020 - £nil).

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing Covid-19 pandemic. These included an increase to the UK’s main corporation tax rate to 25%, which is due to be effective from 1 April 2023. The Finance Act 2021 received Royal Assent on 10 June 2021 and as such the changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of the deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the company’s/group’s deferred tax balances.
### 5. Tangible Assets

<table>
<thead>
<tr>
<th></th>
<th>Property</th>
<th>Fixtures and Fittings</th>
<th>Other Equipment</th>
<th>Assets Under Construction</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 June 2020</td>
<td>47,815</td>
<td>14,738</td>
<td>5,323</td>
<td>2,639</td>
<td>70,515</td>
</tr>
<tr>
<td>Additions</td>
<td>1,715</td>
<td>57</td>
<td>1,615</td>
<td>(35)</td>
<td>3,352</td>
</tr>
<tr>
<td>Transfers</td>
<td>1,320</td>
<td>93</td>
<td>1,191</td>
<td>(2,604)</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>(145)</td>
<td>(112)</td>
<td>(556)</td>
<td>-</td>
<td>(813)</td>
</tr>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>50,705</td>
<td>14,776</td>
<td>7,573</td>
<td>-</td>
<td>73,054</td>
</tr>
</tbody>
</table>

**Accumulated Depreciation**

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As at 1 June 2020</strong></td>
<td>14,079</td>
<td>12,125</td>
<td>2,834</td>
<td>-</td>
<td>29,038</td>
</tr>
<tr>
<td>Charge for year</td>
<td>826</td>
<td>318</td>
<td>518</td>
<td>-</td>
<td>1,662</td>
</tr>
<tr>
<td>Disposals</td>
<td>(145)</td>
<td>(112)</td>
<td>(556)</td>
<td>-</td>
<td>(813)</td>
</tr>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>14,760</td>
<td>12,331</td>
<td>2,796</td>
<td>-</td>
<td>29,887</td>
</tr>
</tbody>
</table>

**Net book value**

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>35,945</td>
<td>2,445</td>
<td>4,777</td>
<td>-</td>
<td>43,167</td>
</tr>
<tr>
<td><strong>As at 31 May 2020</strong></td>
<td>33,736</td>
<td>2,613</td>
<td>2,796</td>
<td>-</td>
<td>41,477</td>
</tr>
</tbody>
</table>

### 6. Intangible Assets

<table>
<thead>
<tr>
<th></th>
<th>Computer Software</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 June 2020</td>
<td>785</td>
<td>785</td>
</tr>
<tr>
<td>Additions</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>886</td>
<td>886</td>
</tr>
</tbody>
</table>

**Accumulated Amortisation**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As at 1 June 2020</strong></td>
<td>171</td>
<td>171</td>
</tr>
<tr>
<td>Charge for year</td>
<td>122</td>
<td>122</td>
</tr>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>293</td>
<td>293</td>
</tr>
</tbody>
</table>

**Net book value**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As at 31 May 2021</strong></td>
<td>593</td>
<td>593</td>
</tr>
<tr>
<td><strong>As at 31 May 2020</strong></td>
<td>614</td>
<td>614</td>
</tr>
</tbody>
</table>

### 7. Investments

<table>
<thead>
<tr>
<th></th>
<th>2021 £000</th>
<th>2020 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in Subsidiaries</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Other investments</td>
<td>881</td>
<td>663</td>
</tr>
</tbody>
</table>
8. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>2,047</td>
<td>3,409</td>
</tr>
<tr>
<td>Other debtors</td>
<td>62</td>
<td>438</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>3,416</td>
<td>4,906</td>
</tr>
<tr>
<td></td>
<td>5,525</td>
<td>8,753</td>
</tr>
</tbody>
</table>

Accrued income of £4.0m in 2019/20, previously disclosed within Trade Debtors, has been re-classified in the above note and is now included within Prepayments and accrued income.

9. Creditors

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance receipts</td>
<td>11,582</td>
<td>5,810</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>1,783</td>
<td>3,319</td>
</tr>
<tr>
<td>Corporation Tax</td>
<td>1,054</td>
<td></td>
</tr>
<tr>
<td>Taxation and social security</td>
<td>1,461</td>
<td>3,388</td>
</tr>
<tr>
<td>Accruals</td>
<td>7,199</td>
<td>6,783</td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>-</td>
<td>5,407</td>
</tr>
<tr>
<td></td>
<td>23,079</td>
<td>24,707</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amounts falling due after more than one year</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>5,000</td>
<td>-</td>
</tr>
<tr>
<td>Other loans</td>
<td>5,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Within Amounts falling due within one year, there were bank loans of £nil (2020 - £5.407m- repayable in full by 30 June 2020). This loan was rolled over to 31 October 2020, and was repaid in the course of the year. The Union completed a further refinancing in November 2020, which comprised a working capital facility with gross value of £11.8m and net value nil, together with a Revolving Credit Facility of £8.5m, which remains undrawn at the date of signing of the Financial Statements. The existing Bond and Floating Charge over the assets of Scottish Rugby Union Limited provides security for the Company’s banker for amounts due to them.

Within Amounts falling due after more than one year, the Other Loans category represents borrowings in the form of a loan from the Scottish Government, which is unsecured and interest free, and which is repayable in equal annual instalments starting on or by 1 September 2022, and in full by 1 August 2042. Early repayment is permissible without penalty.

10. Financial instruments

Treasury policy
Treasury activity is focused on monitoring working capital, managing interest rate risk and managing currency rate risk. Treasury activity is not a profit centre and the Union neither enters into transactions of a speculative nature nor trades in financial instruments.

The Union has the following financial instruments:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets that are debt instruments measured at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>20,665</td>
<td>5,508</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>2,047</td>
<td>3,409</td>
</tr>
<tr>
<td>Accrued income</td>
<td>2,903</td>
<td>4,000</td>
</tr>
<tr>
<td>Other debtors</td>
<td>62</td>
<td>438</td>
</tr>
</tbody>
</table>

Financial assets measured at fair value through other comprehensive income due within one year:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>220</td>
<td>148</td>
</tr>
</tbody>
</table>

Financial liabilities measured at amortised cost due within one year:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Loans &amp; Overdraft</td>
<td>-</td>
<td>5,407</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>1,783</td>
<td>3,319</td>
</tr>
<tr>
<td>Accruals</td>
<td>7,199</td>
<td>6,783</td>
</tr>
</tbody>
</table>

Financial liabilities measured at amortised cost due after more than one year:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other loans</td>
<td>5,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Financial liabilities measured at fair value through other comprehensive income due within one year:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>-</td>
<td>161</td>
</tr>
</tbody>
</table>

Financial liabilities measured at fair value through other comprehensive income due after more than one year:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>-</td>
<td>43</td>
</tr>
</tbody>
</table>

Derivative financial instruments - Forward Contracts
Through Scottish Rugby Union Limited the Union enters into forward foreign exchange contracts to mitigate the exchange rate risk for certain future foreign currency receivables. The foreign foreign exchange contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the year end spot exchange rates. The fair value of the forward foreign exchange currency contracts at 31 May 2021 was an asset of £220k (2020: (£54k)).

Derivative financial instruments - Interest Rate Swaps
Through Scottish Rugby Union Limited the Union had a term loan with Bank of Scotland of £3.0m at 31 May 2020. This was repaid in full on 30 October 2020. The Union, through Scottish Rugby Union Limited, had also entered into an interest rate swap with the Bank of Scotland, which was used to hedge exposure to interest rate movements on the bank loan facility in relation to £1.0m at 31 May 2020 (2021: £nil) of the term loan. This had fixed the interest rate on these borrowings over the period of the loan to 30 June 2020, at an average rate of 3.491%.

The interest rate swap arrangement had a fair market value, being the net present value of future cash flows due under the swap compared to current interest rates. The fair value of the interest rate swap compared to current interest rates on 31 May 2020 was (£2k).
NOTES TO THE FINANCIAL STATEMENTS

11. Provisions for Liabilities

Deferred Tax Other Total
£000 £000 £000

Opening - - 99 99

Utilisation during the year - (99) (99)

Closing - - -

The utilisation of the Other provision is in relation to the release of a sum previously provided against an onerous commercial contract.

2021 2020
Deferred taxation comprises:

Accelerated capital allowances 1,143 1,202
Other timing differences 312 254
Trading losses carried forward (900) (2,686)
Deferred tax asset not recognised (555) 1,230

Deferred tax asset not recognised 32,032 31,950

The gross value of unrecognised deferred tax assets at 31 May 2021 was £4,736k (2020 - £14,136k)

The Murrayfield Debentures are unsecured, rank pari passu and are interest free. Repayment is at the discretion of the Company but the terms include an administration clause meaning the Company does not have an unconditional right to avoid settling. Holders have the right to purchase a ticket for any event or match at the stadium for which the Union retains direct control over the allocation of all tickets. In respect of Six Nations matches the ticket is for a specific seat. Thistle and C Debenture holders also have a right to purchase certain matchday hospitality packages.

12. Deferred Income

Heritable Debenture 2021 2020
Property Total 2021 2020
Premium Total Time

Opening 1,592 58 1,650 1,556

Additions in the year - - - 146

Recognised in period (30) (29) (59) (52)

Closing 1,562 29 1,591 1,650

13. Ten Year Debentures

Debenture 2021 2020

Issue Class of Value Max. No. No. Issued
Debenture Each Authorised Issued

2009 Debentures
J £1 1,000 500 - -
K £1 1,000 - - -
L £1 1,000 200 - -

2012 Debentures
N £1 1,000 14 14
O £1 1,000 180 180

Debentures issued 184 194

The term of the 2009 Debentures, which were unsecured, concluded on 31 May 2019. The 2012 Debentures are unsecured, interest free and repayable at par on 31 May 2022. Holders of the 2012 Debentures have the right to purchase a ticket for any event or match at the stadium for which the Union retains direct control over the allocation of all tickets. In respect of Six Nations matches, the ticket is for a specific seat.

14. Murrayfield Debentures

Class of Value No. No. 2021 2020
Debenture Each Authorised Issued £000 Issued £000
A £1,200 9,100 9,092 10,910 9,092 10,910
B £2,200 7,900 7,900 17,380 7,900 17,380
C £3,500 1,000 1,000 3,500 1,000 3,500
Thistle £9,900 500 188 1,861 188 1,861

Debentures issued 18,180 33,651 18,180 33,651

Issue Costs:
Opening 1,701 1,783
Amortisation (82) (82)
Closing 1,619 1,701

Net Issue Proceeds less Amortisation 32,032 31,950

The Murrayfield Debentures are unsecured, rank pari passu and are interest free. Repayment is at the discretion of the Company but the terms include an administration clause meaning the Company does not have an unconditional right to avoid settling. Holders have the right to purchase a ticket for any event or match at the stadium for which the Union retains direct control over the allocation of all tickets. In respect of Six Nations matches the ticket is for a specific seat. Thistle and C Debenture holders also have a right to purchase certain matchday hospitality packages.

15. Irredeemable Debentures

The 972 (2020 - 972) Debentures of £100 each (the 1925 Debentures) entitle the holder to purchase two tickets at Murrayfield for each match directly controlled by the Union. The debentures are interest free.

16. Leases

Operating Lease commitments 2021 2020
Land & Buildings; payable in £000 £000
1 year 300 308
2 to 5 years - 274
6 years 300 608

17. General Reserve

Opening (1,488) (4,357)
Amortisation charge 122 105
Deferred income amortisation (59) (32)
Increase / (decrease) in creditors 2,633 (548)

18. Reconciliation of operating surplus to net cashflow from operating activities

Operating surplus / (deficit) 2021 2020
Depreciation charge 1,662 1,457
Amortisation charge 122 105
Deferred income amortisation (59) (32)
Decrease in debtors 3,229 274
Increase / (decrease) in creditors 2,633 (548)

9,391 (4,040)
## 19. Reconciliation of net cashflow to movement in net debt

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in cash in the year</td>
<td>15,157</td>
<td>965</td>
</tr>
<tr>
<td>Amortisation of Murrayfield Debentures</td>
<td>(82)</td>
<td>(82)</td>
</tr>
<tr>
<td>Movement in finance lease</td>
<td>(8)</td>
<td>-</td>
</tr>
<tr>
<td>Receipt of other loan</td>
<td>(5,000)</td>
<td>-</td>
</tr>
<tr>
<td>Repayment of bank loan</td>
<td>5,407</td>
<td>-</td>
</tr>
<tr>
<td>Receipt from bank loan facility</td>
<td>-</td>
<td>(2,407)</td>
</tr>
<tr>
<td>Change in net debt during the year</td>
<td>15,482</td>
<td>(1,524)</td>
</tr>
<tr>
<td>Net debt at the beginning of the year</td>
<td>(31,938)</td>
<td>(30,414)</td>
</tr>
<tr>
<td>Net debt at the end of the year</td>
<td>(16,464)</td>
<td>(31,938)</td>
</tr>
</tbody>
</table>

## 20. Analysis of net debt

<table>
<thead>
<tr>
<th></th>
<th>31 May Cash Flows</th>
<th>Other Changes</th>
<th>31 May 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>5,485</td>
<td>15,170</td>
<td>-</td>
</tr>
<tr>
<td>Bank loans</td>
<td>(5,007)</td>
<td>5,407</td>
<td>-</td>
</tr>
<tr>
<td>Other loans</td>
<td>-</td>
<td>(5,000)</td>
<td>(5,000)</td>
</tr>
<tr>
<td>Finance lease due within one year</td>
<td>8</td>
<td>-</td>
<td>(8)</td>
</tr>
<tr>
<td>Irredeemable Debentures</td>
<td>(97)</td>
<td>-</td>
<td>(97)</td>
</tr>
<tr>
<td>Murrayfield Debentures</td>
<td>(31,950)</td>
<td>-</td>
<td>(32,032)</td>
</tr>
<tr>
<td></td>
<td>(31,938)</td>
<td>15,364</td>
<td>(16,464)</td>
</tr>
</tbody>
</table>

Debentures have been treated as public benefit entity concessionary loans as they were received below the prevailing market rate of interest and for the purpose of furthering the primary objective of the Union.

## 21. Transactions Involving Directors of Scottish Rugby Union Limited

The names of the Directors who served during the year are as set out on page 67. The aggregate emoluments payable to the Directors for the year comprised:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees and salaries</td>
<td>£988</td>
<td>1,398</td>
</tr>
<tr>
<td>Contributions to pension schemes</td>
<td>36</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>1,024</td>
<td>1,427</td>
</tr>
</tbody>
</table>

The highest paid director received aggregate emoluments of £403k (2020 - £454k) during the year, comprising salary and benefits of £403k (2020 - £454k) and pension contributions of £nil (2020 - nil).

The amounts shown for the year ended 31 May 2020 include sums in relation to awards up to 2018/19 for the participating directors in the LTIP.

## 22. Capital Commitments

At 31 May 2021, Scottish Rugby Union Limited had capital commitments of £nil. At 31 May 2020, Scottish Rugby Union Limited had capital commitments £3.38m in relation to the completion of the construction of the new stadium on its estate at BT Murrayfield.

## 23. Related Party Transactions

Four of the directors of Scottish Rugby Union Limited, Dee Bradbury, Ian Barr, William Gardner and Bob Richmond were also trustees of the Murrayfield Injured Players Foundation during the year. Scottish Rugby Union Limited does not charge the charity for any administrative or other support that it provides and made a donation to it of £2,250 in the current year (2020: £1,755). The Union’s Investments, through Scottish Rugby Union Limited, are outlined in note 7.

## 24. Scottish Rugby Union Group

The Scottish Rugby Union carries out all its operations through Scottish Rugby Union Limited, which is treated as a wholly owned subsidiary for accounting purposes, with its registered office being Murrayfield Stadium, Edinburgh, EH12 5PJ. The issued share capital of Scottish Rugby Union Limited is held in trust for the benefit of the members of Scottish Rugby Union by the Trustees of the Scottish Rugby Union Trust (49,999 Ordinary Shares of £1 each) and G A Ireland (1 Ordinary Share of £1) as a nominee. For accounting purposes, the Group is also deemed to include the Thistle Rugby Trust. The Group has taken advantage of the exemption conferred by FRS102 from the need to disclose transactions between group entities that have been eliminated on consolidation in these Group financial statements.
FIVE YEAR SUMMARY

<table>
<thead>
<tr>
<th>Year</th>
<th>Income</th>
<th>Expenditure:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>£52,498</td>
<td>International and Professional Rugby £27,688</td>
</tr>
<tr>
<td>2020</td>
<td>55,468</td>
<td>Domestic and Performance Rugby £6,704</td>
</tr>
<tr>
<td>2019</td>
<td>61,077</td>
<td>Commercial and Operational £12,530</td>
</tr>
<tr>
<td>2018</td>
<td>57,241</td>
<td>Club Support and Development £1,889</td>
</tr>
<tr>
<td>2017</td>
<td>51,449</td>
<td>Depreciation and Amortisation £1,784</td>
</tr>
</tbody>
</table>

COMMENTARY ON THE FINANCIAL STATEMENTS

The following pages do not form part of the audited Financial Statements.

This section provides a general commentary on the turnover and costs categories for the year ended 31 May 2021.

Turnover

The Group’s turnover comes from a number of areas, although in the current year, match day revenue related turnover was significantly curtailed due to the restrictions in place with regard to the Covid-19 pandemic. In a year without such restrictions, turnover would include National team match ticket sales, including the Guinness Six Nations and other home international matches, and pro-club match ticket sales which together with related broadcasting revenue would provide a significant element of this. Match day income also includes revenue from pitchside advertising boards, match programmes and revenue from hospitality activities. The sale of merchandise throughout the year is a further important source of income.

Scottish Rugby is grateful for funding from its many sponsors including BT and Macron. All of Scottish Rugby’s partners are noted in the Annual Report. Scottish Rugby is also grateful for significant grant funding from the Scottish Government, World Rugby, sportscotland and the Cashback for Communities programme. Turnover also includes income from European Professional Club Rugby (EPCR) and the Guiness PRO14, and, again, in a year unaffected by the restrictions would include income from other events held in BT Murrayfield Stadium including football matches, dinners, business conferences, concerts and Christmas party nights.

International and Professional Rugby

The expenditure relating to the players, management, medical and strength & conditioning teams involved in International and Professional rugby is within this category. This includes travel, food and accommodation at venues, salaries, kit, laundry costs, travel insurance, training facilities, honours caps and team coach hire for all of the Scotland teams playing at international level. It also includes all pro-club costs, being players’, coaches’ and support staff salaries together with kit, travel and other coaching costs, and match day goings such as advertising, turnstile staff, ticket printing, venue preparation and entertainment.

Expenditure in the provision of medical services, including physiotherapists, match doctors for the players, crowd doctors, and the medical supplies needed to support players involved in international and professional rugby is included in this category. Also included is the investment in the strength and conditioning personnel who work with the National and Professional teams, together with the associated programme costs.

The professional tier of the game continues to be a critical component of rugby in Scotland and success in this sector is beneficial for the game at all levels. While the Scotland men’s team currently drives revenues to support the vast majority of the organisation’s activity, the professional teams, whilst also contributing to the various income streams, primarily provide the opportunities and pathways for players and coaches, medical teams, analysts and other support teams to develop to that international level and be in a position to compete for Scotland in the international team on the global stage. This drives the best opportunity for increased revenues for the whole game. As such, however, there is a recognised net cost to the organisation in the area of professional rugby which amounted to £13.5m in 2020/21 (£11.6m - 2019/20). The net cost in 2020/21, and to a lesser extent, 2019/20, as outlined in the Strategic Report, is adversely impacted by the Covid-19 pandemic effects on the seasons, with further reduced professional rugby related income, as outlined in the Income & Expenditure statement. This is both directly at the two teams, Glasgow Warriors and Edinburgh Rugby, but also from broadcast and sponsorship income streams from EPCR and PRO14. It is expected, however, that these will recover in the coming year.

In a typical year, pro-teams’ income and Scotland men’s team income represents over 90% of total income of the organisation, with pro-team income itself generally representing over 20% of total income. Incomes, particularly in relation to ticketing, have been significantly adversely affected by Covid-19, and the impact of this is seen in the table below. A summary of professional rugby income and costs is noted in this table, together with total international & professional rugby costs.

For pro rugby costs as % of total costs 37% 36% 36%

Pro team income as % of total turnover 10% 18% 22%

Professional rugby costs as % of total costs 55% 52% 51%

Costs (2) £18.9m £21.7m £21.6m

Income (1) £5.4m £10.1m £13.3m

Surplus before taxation £11,758 3,105 538 2,170 2,071

Net interest (184) (236) (230) (333) (356)

Gain on disposal of commercial rights 2,716 - - - -

Surplus for year 10,520 2,869 308 1,837 1,715

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Surplus before taxation £11,758 3,105 538 2,170 2,071

Net interest (184) (236) (230) (333) (356)

Gain on disposal of commercial rights 2,716 - - - -

Surplus for year 10,520 2,869 308 1,837 1,715

Capital Expenditure 3,453 4,421 2,255 1,104 889

Note 2 - Costs include all costs incurred by the professional teams including the player and coach costs, all operational costs, including travel & accommodation, medical, preparation, security and safety, other venue and match day costs, support teams and other non-playing team members, and other costs.

Note 1 – Income includes all professional rugby income, including that directly generated by the professional teams through ticketing, sponsorship, hospitality and other sources, together with the receipt of incomes from the domestic and European competitions, in which they participate, being, in 2020/21, the PRO14 and the EPCR Cup tournaments.
Domestic and Performance Rugby

Grassroots investment, which is key in helping to develop the players and coaches of the future, as well as maintaining and growing the game, is included in this category. The Rugby Development team, which is supported by sportscotland, together with associated programme costs, including travel, training - both internal and external - and event costs are also included. Similarly, expenditure for the delivery of the programme related to funding from the Cashback for Communities grant is included here.

The investment in The Forosco Scottish Rugby Academy is included in this category, with costs including coaching, facilities, programmes and players, kit, equipment and match venue and logistics. Specialist coaching costs are included here, as are analysis and other rugby operational support costs. This area also includes investment in the Scottish Qualified programme.

Referee development, from grassroots to international level, includes the costs of referee coaching, travel to games, kit, and staffing and office expenditure for those employed in this area. Referee costs also include salary, travelling expenses and associated costs for professional refereeing.

Scottish Rugby delivers coaching courses throughout Scotland, both on-line and in-person. The costs of these are included here and the delivery of this programme is part funded by sportscotland. This area also includes the staff in the Training & Education team, training and facility costs, and course resources, as well as tutor and registration fees. The costs of a number of other coaching resources and initiatives, including the on-line training hub, workshops and conferences, and Rugby Right are also part of this area's expenditure.

Finally, the provision of medical services from physiotherapists and doctors, for cover at various domestic and performance rugby events and matches are included here, as are related strength and conditioning costs.

Scottish Rugby is grateful for the support of sportscotland and World Rugby grants which assist in the delivery of a number of the above programmes.

Commercial & Operational

Commercial and Operational costs cover various areas of activity in Scottish Rugby. The running costs of the national stadium are included and these range from pitch repair and preparation to roof and other stadium maintenance, and include security, insurance, rates, electricity, gas and water, all of which continue to ensure that BT Murrayfield remains a suitable, safe, and well maintained venue. Also included are match day and non-match day operational and staff costs, as are other event management and entertainment costs.

Marketing and commercial expenditure is included in this area, where the costs of partnering with, developing and maintaining Scottish Rugby's family of sponsors are recorded. The activation costs of marketing campaigns, promotional materials, media events and other operational activities are also included here. Similarly included are the costs of other support staff and programmes in the areas of ticketing, HR, procurement, IT, finance, governance and business services. Finally, the costs of the communications and corporate affairs team and related activity across the wide range of print, broadcast, web and other social media are part of this category.

Club Support and Development

Scottish Rugby recognises that investment in the sport at grassroots level is a key element in supporting, maintaining and growing the game of rugby. In the prior year, Clubs were supported through the payment of Club Sustainability Awards, Player Accident Insurance, contributions to cup and league travel costs, the payment of all referees’ travel costs across the country, ticket commissions and player reward scheme payments, where clubs’ contributions to the development of players who have gone on to win academy or professional contracts are acknowledged. A Club Hardship Fund, as a result of Covid-19, was also introduced. In the current year, the reduction in activity resulted in reduced activity related payments, however, this year has seen the introduction of the Supporting Clubs Investment Programme.

The funding values for the current year and two previous years are noted below:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Club Support Funding (Note 1)</td>
<td>1,140</td>
<td>2,028</td>
<td>2,160</td>
</tr>
<tr>
<td>Direct Club Support Funding – paid on behalf of clubs (Note 2)</td>
<td>182</td>
<td>364</td>
<td>409</td>
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<tr>
<td>Development Officer Contributions</td>
<td>567</td>
<td>590</td>
<td>519</td>
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<tr>
<td>Club Support and Development</td>
<td>1,889</td>
<td>2,982</td>
<td>3,088</td>
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<tr>
<td>Rugby Development Funding (Note 3)</td>
<td>3,118</td>
<td>4,125</td>
<td>4,339</td>
</tr>
<tr>
<td>Total</td>
<td>5,007</td>
<td>7,107</td>
<td>7,427</td>
</tr>
</tbody>
</table>

Note 1 - Direct Club Support Funding consists of the elements of funding outlined in the commentary above paid directly to clubs. In prior years, this included Club Sustainability Awards, Club Sustainability Fund, contributions to cup and league travel costs, ticket commissions, player reward scheme payments, and in 2019/20, the Club Hardship Fund was introduced. In the current year, the Supporting Clubs Investment Programme has also been introduced.

Note 2 – Direct Club Support Funding paid on behalf of clubs consists of the elements of funding outlined in the commentary above paid on behalf of clubs, being Player Accident Insurance, and the payment of match officials’ travel costs.

Note 3 – Rugby Development Funding consists of the investment in the Rugby Development team across the country, match officials and related programme costs, the competitions team and related events and programme costs, and the Training & Education team and programme costs.

Note 4 – The above figures do not include any support given to clubs in relation to the Super 6 competition, which is part of the High Performance budget, and is included in the Domestic and Performance Rugby category in the Income Statement.

Depreciation and Amortisation

Depreciation is the annual charge in respect of Scottish Rugby Union Limited’s tangible fixed assets, primarily the redevelopment costs of BT Murrayfield Stadium.

Amortisation is the annual charge in respect of Scottish Rugby Union Limited’s intangible fixed assets.

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Front cover

Dave Cherry and Cameron Redpath lift the Calcutta Cup, Twickenham, February 2021

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