To download a copy of the Annual Report, please visit scottishrugby.org/annualreport.
President’s Welcome
Donald Macleod

It has been an enormous privilege and an exciting time to serve as the President of the Scottish Rugby Union for the past season.

Building on the Strategic Plan of 2012, a policy document, The Way Forward, was presented in December 2013, which outlined initiatives focusing on clubs, schools, coaching pathways, academies and the women’s game.

Work is already underway in many of these areas, particularly the last mentioned, where a head of women’s rugby has been appointed to lead developments, while staffing, locations and structures are being identified as I write for the four regional academies.

Funding for The Way Forward was secured by the tremendous announcement of the BT Group sponsorship in May. The initiatives and their funding are massive steps forward and every club owes a vote of thanks to our Executive. All of Scottish Rugby will benefit.

While developments are ongoing with our clubs, we witnessed a cracking finale to the club season this year with Melrose lifting the silverware as their neighbours Gala faltered, agonisingly, at the final hurdle.

Well done to Hillhead Jordanhill on winning the Women’s Premiership and congratulations to all the promoted clubs and commiserations with the relegated clubs.

With the national stadium pitch being replaced, the RBS Cup Finals decamped to Broadwood Stadium which readily accommodated four excellent finals in front of partisan crowds. Heriots lifted the National Cup, Preston Lodge the Shield and Highland the Bowl. Murrayfield Wanderers won the Sarah Beaney Cup.

Youth and Schools rugby was equally exciting. Ayr won the under-18 National League, Melrose Storm won the Border Semi-Junior League in a play-off beating Jed Thistle, who defeated Ayr in the under-18 National Cup Final. George Watson’s College won the Brewin Dolphin Cup.

At international level our senior men’s team put the disappointments of the RBS Six Nations behind them during a very tough summer tour at the end of a long season, playing well against the USA, edging the matches against Canada and Argentina and losing to a very powerful South Africa.

A good team spirit prevailed, new head coach Vern Cotter impressing at the reins, and eight debut caps were awarded during the four week sojourn, with Edinburgh Rugby lock Grant Gilchrist, captaining the team in the final two matches.

There are definitely grounds for optimism when we have a full squad available for the November Tests and the 2015 RBS Six Nations.

A poor Six Nations for our senior international women’s team was followed by an encouraging Sevens season for Scotland Women, finishing runners-up in the FIRA-AER Grand prix tournament in Bergen and qualifying for the top tier of European Sevens next season.
The moment Melrose heard they’d won the RBS Premiership

The under-20s international team maintained their place in the top flight of the IRB Junior Rugby World Cup in New Zealand after a disappointing Six Nations and the under-18s similarly retained their top flight slot in European competition after the FIRA-AER tournament in Poland.

Glasgow Warriors enjoyed a great season reaching the final of the Rabo Direct league play-offs but Edinburgh Rugby will be looking to improve their results next season.

Other highlights of the season have included the Club Awards Dinner attended by 460 club representatives from the length and breadth of Scotland and the Hall of Fame Dinner when ten new members were inducted.

Scottish Rugby has led the way in the development of the IRB level 1 first-aid courses and we are running regular courses to supplement the SCRUMCAPS cardiac and pitch-side courses already pioneered by our medical staff. Both courses underline the fundamental importance we attach to the wellbeing of everyone in our game.

It has been a privilege to be President this past season, chairing the Council and serving on the Board, working hard to ensure that we continue to focus on clubs and schools and being able to see at first hand the magnificent work being undertaken by volunteers throughout Scotland, where our club sustainability workshops are helping to share best practice.

“All in all, this has been an exciting season for Scottish Rugby, with more people getting involved in the game from supporters to sponsors and school teams to senior internationalists. Sincere thanks to you all. I thank, too, the staff at BT Murrayfield who have been a great support to me personally and for all they do to nurture our clubs and schools.”

Donald Macleod
President, Scottish Rugby
Chairman’s Review  
Sir Moir Lockhead  
OBE

For the first time since rugby union became a professional game in August 1995, Scottish Rugby’s financial well-being has been bolstered to the extent that we can now develop our sport at all levels through significantly increased investment.

My predecessors had the dual challenge of redeveloping our stadium so that it was fit for purpose (and a substantial tranche of funding for that came from the rugby community) and then the dawn of professionalism. Understandably, there were many growing pains as we wrestled on and off the field with the new and ever-changing demands that faced us as a governing body but also as a business and major employer.

When we unveiled our policy papers before Christmas 2013 – charting out the direction we wished to take the game of rugby football in our country – it came with the caveat that prevails when any initiative is being advanced: they had to be sustainable financially.

I am delighted to congratulate our chief executive, Mark Dodson, and his executive team and staff, for the unprecedented financial growth achieved, especially for future years. The investment which comes from an increase in our commercial partners and the growing number of spectators who invest their “leisure pounds” in our game is enabling us to press ahead with our key policy initiatives in Academies, The Women’s game, Clubs, Schools, Coaching Pathways and Refereeing.

The most significant is our partnership with BT, which has included naming rights to BT Murrayfield Stadium. This deal, many months in the making, breaks the mould for sport in Scotland and all in our game will see the benefit from it. It’s most welcome that in this past season direct and indirect club support has increased by more than 16% and now exceeds £2.2million. This figure will rise further in the season ahead through the new commercial investment secured.

Aligned to our commercial activities, we have continued to manage our debt in a prudent manner and I take pride that our year end borrowings are the lowest they have been in a generation, while our average monthly borrowings over the period of this report have fallen, again, to £10.2million in line with our plan.

Last year we heard from our CEO about the serious challenges we faced on the international front, not least through the protracted and difficult negotiations over the future of European competition under the aegis of ERC. It took a sustained mixture of diligence and fortitude by our representatives to broker an agreement. That hard work affected a positive solution for Scottish Rugby which safeguards the future of professional rugby in Scotland. I’m sure the Scottish rugby community will join with me in expressing its sincere gratitude for that outcome to all our international representatives and our senior team.

Still on the international stage, I am delighted that our new national team head coach, Vern Cotter, has taken charge and his baptism in North and South America and South Africa, concluded with the team in credit, winning three of their four Test matches.
The PRO12 created considerable excitement last season and I am confident it will go from strength to strength in the coming campaign with Guinness joining the fray as title sponsor and BskyB as a broadcast partner. I commend Glasgow Warriors for their stirring path to last season’s PRO12 final and for the exceptional growth in crowd support that they achieved over the period.

On the subject of attendances, it was immensely gratifying to reflect on the world-record 171,000 fans who cheered on Team Scotland at the rugby sevens in Ibrox during this summer’s Commonwealth Games. I would like to thank all our Scottish Rugby staff who have worked hard on this project in the last few years.

We have been proud to host the Emirates Airline Glasgow 7s – part of the HSBC Sevens World Series – at Scotstoun for the past three years, building the passion for the abbreviated version of our sport. We remain committed to working hard with the IRB to continue hosting a leg of the World Series in Glasgow from 2016-2020.

“...Young people are our future and our continuing strong relationship with the Scottish Government, in tandem with the hard work of our development officers and volunteers in clubs and schools, has enabled many youngsters to become part of our rugby family and share its values."

It has also been an important year in respect of safety across the sport with new initiatives launched and close monitoring of all our practices. I wish to congratulate our medical team led by Dr James Robson who continue to do a great job managing and supporting our players whilst informing and developing new policies that safeguard our sport at a national and international level.

In conclusion, many thanks to our President, Donald Macleod, the Scottish Rugby Council and the Scottish Rugby Board for all their efforts over the past season and our Scottish Rugby staff. Their support, commitment and enthusiasm are second to none and I look forward to continuing the journey with you all in the season ahead.

Sir Moir Lockhead OBE
Chairman, Scottish Rugby
Chief Executive’s Report

Mark Dodson

We spent much of last Autumn working on a series of strategic initiatives. The results of our deliberations were published in December and following further consultation across the game we produced recommendations for Schools and Youth Rugby, Coaching Pathways, SRU Academies and the Women’s Game.

Essentially we set in motion a blueprint for the biggest change in Scottish Rugby for a generation.

Our intention to invest in the grassroots game has been well documented but until now we have been unable to match our ambition with money. Following the transformational agreement with BT we now have the means to future proof the game in Scotland.

I have been clear about our business model. All our income is earned from the professional game. We need to maintain our investment in our national teams and our professional clubs to make sure that those income streams are protected.

The deal with BT allows us to invest in the community game and in schools and youth rugby. The focus on these key areas is critical.

We are a small country and we desperately need a schools system that widens participation and creates intense competition. Sadly, like most sports, rugby cannot assume that the game will feature prominently in the school curriculum. Instead we have to fund Schools of Rugby across the nation taking the game back to children who don’t automatically get the chance to play on a weekly basis. Through the Schools of Rugby initiative we intend to improve our ability to influence how often children get the opportunity to learn about our game and take forward their skills into the local club that serves their community.

BT is also joining with us to fund four District Academies which will serve Caledonia, the Borders, East and West Scotland. We want to use the Academies to identify and improve the best young players in Scotland preparing them for a future in the professional game. We also want to create a new intensity around game time, skills, nutrition and strength and conditioning via a safe and structured environment.

A thorough restructure of our Women’s Game is underway. This root and branch revision will chart a new course for our women players offering a more professional and scientific approach to our sport.

We have been able to attract Sheila Begbie to join our business as Head of Women’s Rugby. Sheila held a similar position with the SFA and served football with great success and distinction. Working in tandem with the Board and our Women’s Council Representative, Dee Bradbury, I expect to see a distinct step change in our results and perception over the next three years.

Tappe Henning also joined as Refereeing Commissioner bringing to us his vast experience as an international referee and an IRB referee selector. Dave Pearson, another former international referee, has now also joined us from the 6 Nations and together they will refocus our approach to refereeing and reinforce our commitment to the match officials without whom our game couldn’t function.
We will be looking for our professional clubs to build on their performances this season. The next campaign is now even more competitive as the results of our new European Agreement come in to play meaning a tougher European Champions Cup and no automatic right for both our teams to play in the senior European competition.

Glasgow will want to go one stage better than this year in the new Guinness Pro12 tournament by bringing home the league trophy. They also need to do themselves justice in Europe showing they can emerge from their pool this time. Gregor Townsend has had another good season and is developing into a top-class head coach. We continue to invest heavily into the Glasgow squad enabling it to be competitive at the business end of the season.

Alan Solomons over at Edinburgh has a different challenge. He has a much-revised player group and will also have a full pre-season with his squad. He is blending younger Scottish talent with mature and teak-tough South Africans who fall much more readily into our budget parameters than more high-profile players from the Southern Hemisphere. Edinburgh are targeting a top six finish in the Pro 12 and a series of performances that would see them in the latter stages of their European tournament.

Vern Cotter joined the national team for the summer tour and led Scotland to three wins out of four. The final leg to South Africa was always going to be difficult but it allowed Vern to see all the players available to him during the month they shared together.

The SRU is in the best financial shape since the game went professional. Our debt is reducing at a level that satisfies everyone and our income is growing at record rates.

After 18 months of very tense and difficult discussion, we have renegotiated our place at the top table in Europe protecting our position in the professional game for the next eight years.

“Finally may I thank all the volunteers, mums and dads, teachers, coaches and part-time referees who allow us all to play the game in Scotland. Without you, the game would not exist. We salute you.”

Mark Dodson
Chief Executive, Scottish Rugby
## Income

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<th>2009/10</th>
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![Bar chart showing income growth from 2009/10 to 2013/14](chart.png)
### Expenditure

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<td>702</td>
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<td><strong>36,767</strong></td>
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![Bar chart showing expenditure over years](chart.png)

- **International & ProGame**
- **Community & Performance**
- **Commercial & Operational**
- **Depreciation**
- **Club Support & Development**
- **Net Interest**
The Way Forward

Academies

A new academy structure is underway, to raise the standard of elite play by providing a strong and reliable flow of the best young talent into the professional clubs, the Scotland national teams and the BT Premiership.

Four regional centres have been identified in Caledonia, Borders, Edinburgh and Glasgow. Current Scotland 7s head coach, Stephen Gemmell, who is stepping down from the post following Glasgow 2014 Commonwealth Games, will take on the role of Head of Academy, overseeing all four centres, reporting to the Director of Rugby Scott Johnson.

Each academy will work with players, boys and girls, over a potential nine-year period and is only open to those who do, or could, qualify to represent Scotland.

Stage 1 covers skills camps for under-14 and under-15 players, from which 40 new entrants per academy will be selected. The next level sees 120 members across three levels (under-16, under-17 and under-18, and under-19) based in four regional centres. Stage 3 is a professional level which will replace the current Elite Development Programme, with members on professional contracts with Glasgow Warriors and Edinburgh Rugby.

Photo: Jamie Ritchie breaks to score against Ireland for Scotland under-20 at BT Murrayfield.
Scotland under-16
Following a trial at Lochinch in Glasgow in March, a squad of 26 was selected for two training camps at Tulliallan Police College in Fife followed by a match against a Newcastle Falcons under-16 team at BT Murrayfield, which the home side won 40-3.

The squad – coached by Gary Mercer, Roddy Deans, Jamie Dempsey and Dave Butcher – then travelled to the Wellington Festival in April to play three games against Wales (East) (drawn 29-all), England (North) which they won (26-14) and England, which they lost 22-32.

Scotland under-17
A two-week residential rugby development camp – focussing on core rugby skills, speed and technical weight lifts – in Valladolid, Spain, during July 2014, is the culmination of the under-17 regional pathway programme.

Regional academy coach Chris Dewsnap has led the programme this season and selected the July squad alongside Scotland age-grade coaches Gary Mercer and Eddie Pollock.

As with the other age-grade groups, there has been a regional programme at under-17 level within Borders, Caledonia, Edinburgh and Glasgow who went on to play each other in two rounds of regional matches, from which an extended group of players was selected for a national under-17 trial and, from that, the group for Valladolid.

Scotland under-18
The Scotland under-18 season is the culmination of Scottish Rugby’s under-16, under-17 and under-18 programmes. Following a comprehensive win over a Leeds Academy side in August at the Gytes, 40 players were selected for a three-day training camp in October. Head coach Eddie Pollock was assisted this year by Ben Fisher and former Scotland A & B centre Don Caskie.

The players were among those selected by the performance regions of Edinburgh, Glasgow, Caledonia and Borders to play against each other in December. Glasgow and Caledonia then merged to form the age-grade Glasgow Warriors team, while Edinburgh and Borders comprised the Edinburgh Rugby side.
Scotland under-20 celebrate victory over Italy at the IRB JWC in New Zealand

Rory Hutchison against Portugal for Scotland under-18

Academy Structure

Stage 1
U14 and U15 players
40 per academy

Stage 2
U16, U17 & U18 and U19 players
30 per academy

Stage 3
Professional contracts with Glasgow Warriors or Edinburgh Rugby
A Scotland XV then took on a Scotland District side, with final selection for fixtures at home to England and away to Ireland, matches that saw the young Scots defeated in both games.

In the FIRA-AER under-18 Championship in Poland in April, after being edged by Wales (21-23), they beat Portugal (35-11) and Italy (24-15) to finish fifth and retain their place in the annual tournament.

Scotland under-20

Again led by head coach Sean Lineen, the squad progressed through a series of performance camps in the autumn and winter prior to selection for the 6 Nations. Captained by London Scottish back-row forward Tommy Spinks, Scotland kicked off their campaign in Athlone, with defeat to Ireland and despite spirited performances at home against England and France, with full houses at Netherdale, ended the Championship without a win.

The squad then regrouped at a series of training weeks – including a challenging boot camp with the Army – and warm-up matches away to Wales and at home against Ireland, prior to the IRB Junior World Championship in New Zealand.

A tough group had them kick off against South Africa (5-61) followed by Samoa (18-27) and New Zealand (7-54). The squad posted their first victory of the season in the subsequent 9th to 12th play-off against Italy (21-18), which ensured their place in next year’s championship, and they came 10th overall following defeat (21-41) to Argentina in their final game.

With a young core to the group, many of this year’s team will still be eligible to play next season, including 17-year-old back row forward, Jamie Ritchie, who has signed a full pro-contract with Edinburgh Rugby for 2014/15.

Exiles

The 2013/14 season was the most successful for the Exile programme since its reformation in 2006/7. Players originally identified by the programme continue to come through to the highest level with Duncan Taylor (Saracens) and Alex Allan (Glasgow Warriors) being capped this season.

The numbers of young players in national age group programmes remains high; most notably the twelve players involved in the Scotland under-20 squad, including captain Tommy Spinks (formerly London Scottish now Glasgow Warriors). The under-16 age group underlined the continued expansion of the programme, producing a final Exile trial of quality involving two squads of players drawn from places as diverse as Penrith, Ivybridge, Lincoln and Gibraltar!
Scotland under-20 captain Tommy Spinks moves to Glasgow Warriors as an Elite Development Player in 2014/15.

Scottish Rugby is currently working on finalising the four BT Sport academy locations:

**North**

We are speaking to Aberdeen University and Aberdeen Sports Village – a world-class facility – in order to develop a strong partnership.

**Borders**

We are speaking to Borders College in Galashiels and a number of those associated in the Netherdale campus.

**West**

We are in discussion with North Lanarkshire Council for the use of Broadwood Stadium in Cumbernauld and the extended use of the Ravenscraig indoor facility in Motherwell.

**East**

We are in discussion with both Heriot-Watt and Napier Universities in Edinburgh.

**People**

An extensive advertising campaign commenced in July 2014 to secure high quality managers to lead a multi-disciplinary team in each designated region. Our new BT Sport Academy Managers shall primarily focus on the development of players, creating world-class support networks and facilities and establishing relationships with key stakeholders including clubs and schools, within each region.

Our aim is to recruit and train our new Academy Managers by September 2014 and thereafter further recruitment is anticipated to support our academy structure. Each academy shall comprise of a manager, skills coach, strength and conditioning coach along with dedicated physiotherapist.
The Way Forward

Women’s & Girls’ Rugby

Fresh initiatives are required to recruit new players and improve the performance of the international teams. To drive this forward a Head of Women’s Rugby was appointed earlier this year, in former head of women’s football with the SFA Sheila Begbie, who will take up her appointment this month.

Photo: High school pupils take part in a girls’ sevens tournament in the Borders
The past season has been one of steady progress for women’s and girls’ rugby. Sarah Quick took on the role of Rugby Development Manager – Women & Girls, and has been active in meeting clubs, supporting events, managing staff and identifying areas of good practice to build on, and issues that need to be addressed.

The women and girls’ development team consists of two part-time officers and five co-ordinators, each with a regional remit with responsibility for getting more girls playing more regularly and, ultimately, linking back into established clubs. These posts also support adult clubs through skills sessions, events and development support.

Several new women’s teams have emerged over the past year such as Shetland RFC, Inverness Craig Dunain, Kinloss RFC, Aberdeen College and Greenock Wanderers Ladies. Kirkcaldy have continued their resurgence and will be back in the premier division next year. Two of our newer teams, Stewartry and Ayr, enjoyed successful seasons in RBS National Division 2. For Ayr this was their first season in the national league and reflects the impressive growth in girls’ participation in the club and local schools which their development team and volunteers have built up over the past few years.

The numbers of girls playing rugby has increased again this year. Circa 100 girls from Ayrshire schools took part in a CashBack tournament in Kilmarnock in May. Eight girls’ teams took part in the Central 7s Cup including Balfron HS, Alva Academy, Wallace HS and Stirling County RFC. Eighty girls from Shetland, Orkney, Caithness, Inverness, Kinlochleven and Grantown took part in the recent Highlands & Islands tournament in Inverness and Blairgowrie Rams and Boroughmuir RFC launched girls’ sections this season, building on interest and demand in local schools.

However, there are still issues to be addressed in terms of frequency of participation for girls, and pathways into clubs to ensure girls are encouraged and supported to play once they leave school. The cup competitions for women and girls have also been reviewed following some mis-matches and non-fulfilment of games this year.

**RBS Finals Day**

The honours were shared between Hillhead Jordanhill and a resurgent Murrayfield Wanderers in the women’s game, with Hillhead Jordanhill retaining the league title. Having seen off their Glasgow rivals in the semi-final, however, Murrayfield Wanderers went on to claim the Sarah Beaney Cup with victory over Metrose at Broadwood. Kirkcaldy were crowned RBS National 1 League winners with...
Stewartby winning National 2, while Cartha Queens Park claimed the RBS Plate and Broughton the RBS Bowl.

Brewin Dolphin Girls Finals
With the BT Murrayfield pitch undergoing renovation, the Brewin Dolphin Girls’ Finals Day was held at Bridgehaugh with Murrayfield Wanderers winning the under-18 Cup, Hillhead Jordanhill/Cumnock the Shield and Crieff HS/Perth Academy the Bowl. In the under-15 competition, Langholm won the Cup, RHC captured the Shield while Earlston HS won the Bowl.

Scotland Women
The senior national side had a disappointing year, their sole victory coming in an uncapped game against an Irish Exiles team, during a pre-six Nations training camp. Scotland then opened their campaign with a heavy 0-59 defeat to defending champions Ireland, setting the tone for a challenging campaign, in which the dark blues finished last in the table with no tournament points to their name.

However, the squad showed a lot of promise, with head coach Jules Maxton introducing eight new caps throughout the course of the tournament. Three of the debutants – Emma Wassell, Rachael Cook and Emily Irving – were graduates of the Scotland Women under-20 programme, showing the promise that is coming through the development systems in place.

Scotland Women 7s
After three training and selection weekends during May, a squad playing as Scotland Select won the Plate in their warm-up tournament, Rugby Rocks, in London on the last day of the month. A final squad competed in Bergen (7/8 June) in the FIRA-AER Division A Women’s European Championships. Scotland were pooled with Moldova, Croatia and Finland in one of three groups and had to finish the tournament in first or second place to return to the Grand Prix division. They achieved this by beating Finland (36-0), Croatia (36-0) and Moldova (38-7); then Finland (quarter final) (20-10) and Romania (semi final) (14-7). A Cup final with Ukraine followed and though they were defeated, 5-17, they had done enough to gain promotion to the 2015 Grand Prix Series.

Scotland Women under-20
The under-20 programme aims to identify, develop and prepare young players to progress to the full senior squad. This season the team played two training games against Belgium and the Army, and were defeated in both.

Rose Anderson
Looking to broaden the playing base by nurturing talent from other sports, Rose Anderson proved something of a success story for Scottish women’s rugby this year. The Olympic basketball player – she represented Great Britain at London 2012 – only took up rugby in November 2013 after being persuaded by a friend to come along to training at RHC Cougars in Edinburgh. Transferable skills in hand-eye co-ordination and positioning, an understanding of international performance and an immediate love for the game, saw her dispatched to the wing and, subsequently, trialling and being selected for the Scotland Women 7s squad in their FIRA-AER tournament in June.

The 26-year-old former Portobello HS pupil made a try-scoring debut in the opening match against Finland in Bergen, played in five out of six matches over the weekend, and ended the tournament with three tries to her name and a hand in ensuring the team returned to the Grand Prix level of European competition.
Coaching Pathways

By increasing opportunities for the professional advancement of coaches in Scotland, we aim to grow the coaching population qualified to the standards required by professional teams.

The development path for high performance coaching will be linked with the BT Sport Academies and our desire is to introduce a diploma in rugby coaching in due course.

While existing pathways for UKCC Levels 1 to 3 will continue, Scottish Rugby will work with Stirling University to qualify programme members to UKCC Level 4 in addition to providing practical, experience-based training within the professional rugby environment of Scottish Rugby’s own clubs.

Photo: A Falkirk youth taking part in the Daily Record’s Festival of Rugby at Scotstoun during the Emirates Airline Glasgow 7s
In line with The Way Forward, and the sportsScotland coaching framework, Scottish Rugby has developed a new Coaching Strategy 2014-2016 (Club & Schools). This aims to provide a clear pathway for coach development which will support member clubs and schools in their recruitment and development of coaches. It has introduced minimum coaching standards and also includes updated UKCC endorsed qualifications as well as new IRB Level 1 qualifications including Rugby 7s, Strength & Conditioning and First Aid.

Approximately 3000 coaches have benefited from continuing professional development workshops this season, a highlight for coaches being a session run by Colin Ireland, a coaching specialist with vast experience within mini rugby and game coaching practice.

We are grateful for the financial support of sportsScotland to enable us to deliver the UKCC courses at a subsidised cost and to deliver our workshops programme free of charge to coaches working in our clubs and schools.

During the 2013/4 season there were 21 UKCC Level 1: Coaching Children Rugby Union courses held throughout Scotland, with 325 coaches awarded this qualification. In addition to this, 12 UKCC Level 2: Coaching the 15-A-Side Game courses were held with 204 receiving an award and furthermore, 15 coaches recently completed the UKCC Level 3: Advanced Coaching Award. Seven SRU/UKSCA Level 1: Coaching Strength & Conditioning courses where 89 coaches became qualified.

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**Glasgow Warriors’ Kenny Murray takes a coaching session**

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The Way Forward

Coaching Pathways

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Glasgow Warriors’ Kenny Murray takes a coaching session.

Coaches from across the globe converged on BT Murrayfield in January, in preparation for an expedition to Africa where they were working with schools and communities to unite children through sport.

Scottish Rugby’s Positive Coaching Manager, Bosman Du Plessis, hosted the coaches for a training week at BT Murrayfield before they headed out to Africa for five months with the Bhubesi Pride project, which is partly funded by the Bill McLaren Foundation.

Bhubesi Pride assembles highly qualified teams to carry out annual rugby coaching expeditions, using the sport as a tool for education and development in Africa. Working with schools and communities in ten African countries, children unite through sport, local staff are empowered and international partnerships are developed, to ensure sustainable impact for the long-term.

Anyone in the world can apply to join the expedition and they’ll then be subject to a series of checks and interviews as the organisers seek to pull together the right team – who this year assembled at the home of Scottish Rugby for some final preparations before tackling 35 schools in ten countries in five months.

The organisation’s founder Richard Bennett explains: “Scottish Rugby have been fantastic hosting us at BT Murrayfield. Bosman has been leading all the rugby-based coach education and we’ve tackled all sorts of other training for the expedition itself. It’s a fantastic opportunity for us to be here in this inspirational rugby setting.”

Among the team that headed out to Ethiopia at the beginning of February – before moving on to Kenya, Uganda, Rwanda, Tanzania, Malawi and Botswana – was 26-year-old keen rugby player Cameron Mackenzie from Brisbane. “I was working in project management and found out three months ago that my application had been successful. So I had three months to get in shape – not a night’s gone by without doing lots of preparation and training for this!

“A lot of the kids we’ll work with have never seen a rugby ball. We’re aiming to get them familiar with the game and I’m looking forward to seeing the smiles on their faces – we’re using rugby as a universal language and I hope to pass on my knowledge and experience to others. Even seeing a small difference will be massively encouraging.”
The Way Forward

Clubs

As part of the new policy initiatives, core proposals for clubs focus on strengthening support for the league clubs and an increased focus on the domestic club game.

Scottish Rugby will look to develop a semi-professional club game that bridges the gap between the current Premiership clubs and their counterparts elsewhere in the UK, and our pro-clubs.

By refining our objectives, we’re aiming to restore the competitiveness of our clubs with those in England, Wales and Ireland, and by spreading the investment we’ve made in our two pro-clubs, to raise standards in the club game as a whole.

Photo: Heriot’s celebrate winning the RBS Cup at Broadwood Stadium.
Regional Development

Over the past year the team of Regional Development Managers (RDMs) have continued to work with clubs, schools, local authorities and other partners. They have managed the circa 120 development partnerships for development officers and community coaches through which we aim to increase participation (players and teams), improve quality of participation (competition and coaching) and improve physical activity and health.

The vast majority of these partnerships cover our investment into the 85 club development officers and 66 modern apprentice community coaches who work in schools and clubs around Scotland. The RDMs manage these partnerships, agreeing targets and key performance indicators with clubs and other partners, and monitoring progress towards their achievement.

The RDMs have also supported clubs around facilities development, club sustainability and DO funding, using their local authority contacts, links with sportscotland and the Regional Sports Partnerships, and corporate sponsors such as RBS, to provide support and resources. The year ahead will see even greater focus on supporting clubs, with a new structure implemented as part of the new policy initiatives.

The Championship

There was a re-structure at the top end of the game, for season 2014-15, with the Championship Divisions returning to a linear structure and the number of National teams increasing to 46 to allow twelve-team BT National 1, 2 and 3 leagues to be created below the BT Premiership. This restructure saw no relegation from the RBS National League with the RBS Championship A and B Division winners joining the RBS National League clubs in RBS National 1 and the top two teams from each of the RBS Caledonia, East and West Regional Leagues being promoted to join the lowest placed three teams from each of the RBS Championship A and B Divisions to form BT National 3 for the 2014/15 season.

The RBS Premiership reached a thrilling conclusion with Gala going into the last round of fixtures with a two-point lead over Melrose. However Gala’s home defeat to Ayr allowed Melrose, who saw off Currie at The Greenyards, to overtake their Border rivals and claim the Premiership title. Aberdeen Grammar Rugby found themselves in the automatic relegation position, and a poor run of form from the mid-point of the season saw Edinburgh Accies slip into ninth position and a play-off against the National League runners-up to determine who would play in the top flight in 2014/15.

Boroughmuir were dominant in winning the RBS National League and reclaiming their place in the Premiership. However the battle for the National League runner-up (and therefore the play-off place) went to the last match between Watsonians and Stewart’s Melville. While Watsonians won the match, the losing bonus point secured by Stewart’s Melville saw them claim second place in the league. In front of an enthusiastic crowd at Lasswade the play-off proved a step too far for Stewart’s Melville and Edinburgh Accies retained Premiership status with a 23-13 victory.
In RBS Championship Division A for the second successive season Cartha Queens Park came up just short in a last game league decider, as Marr claimed the title with a 12-7 win to gain promotion to BT National League Division 1. In RBS Championship Division B Jed took and maintained an early lead in the title race to claim the trophy and a BT National League Division 1 place despite a valiant chase by Howe of Fife. The teams who finished in second to seventh positions in the two Championship Divisions will play in BT National 2 while the lowest placed three teams in each Division will be joined by six promoted Regional League teams to form BT National 3 for 2014/15.

RBS Caledonia League Division 1 saw Perthshire finish champions, with Dunfermline easing out Orkney to the runners-up spot and the second promotion place on points difference. Hillfoots and Highland were promoted to BT Caledonia 1 as winners of RBS Caledonia 2 Midlands and RBS Caledonia 2 North, and will be joined by Glenrothes and Ellon who claimed the final two places via the Caledonia 1 play-offs. Other league winners in Caledonia were Howe of Fife 2nd XV in RBS Caledonia 3 Midlands, Aberdeen University in RBS Caledonia 3 North and Perthshire 2nd XV in RBS Caledonia 4 Midlands.

Irvine won RBS West Regional League Division 1 on points difference from East Kilbride, who will join Irvine in BT National 3 next season. RBS West League Division 2 was won by Garnock, Division 3 by Uddingston and Division 4 by Millbrae.

Preston Lodge are champions of RBS East League Division 1 and will be joined in BT National 3 by RHC, while Dalkeith won Division 2 and St.Boswells Division 3.

RBS Finals Day

The RBS Cup was won by Edinburgh Region Cup winners Heriot’s, who defeated West Region Cup winners Glasgow Hawks, in the final at Broadwood Stadium. The capital outfit took an early lead but despite a second-half fightback from the west-coasters, Heriot’s won 31-10. Aberdeen Grammar Rugby and Melrose were the Caledonia and Borders Regional Cup winners and these four Regional winners were joined by the four B&I Cup teams in the RBS Cup Quarter Finals.
Edinburgh Region Shield winners, Preston Lodge, completed a League and Cup double, defeating Caledonia Region winners, Caithness, in the RBS Shield Final, with Irvine and Berwick the West and Border Region Shield winners respectively. In the RBS Bowl, Highland achieved their own League and Cup double with victory over Midlands Bowl winners, Glenrothes. Uddingston won the West Bowl and the East Regional Bowl was awarded to Liberton.

Students
This season has seen the top Scottish universities holding their own against English counterparts to finish second and third in the Cup and Premier North B league competitions. Overall, opportunities for participation have increased at all levels. New events included emerging teams playing regionally to qualify for the national final, sevens tournament and curtain-raisers before pro games and a tie between Edinburgh and Glasgow universities at the Emirates Airline Glasgow 7s.

These developments have been made possible by extending part-time rugby development/co-ordinator posts, using expertise within the colleges and universities, and building on the support provided by the institutions. Challenges have also emerged over the year: a dwindling representation of student teams in the mainstream club competitions and also the lack of student representative rugby. While a gap in staff provision may have affected the continuity of the development of student rugby, this break has allowed Scottish Rugby to refocus on this important group and look to build on the positives and rise to the challenges.

B&I Cup
Following the pool stages, none of the four home based Scottish sides – Stirling County, Gala, Ayr and Melrose – were in a position to progress into the knockout stages of the competition however London Scottish, sitting top of pool two, almost made the cut before defeat in their final match to London Welsh.

After changes to the competition structure and consultation with representatives of the Premiership Forum, the top four Premiership clubs from season 2013/14 will not take part in the 2014/15 British & Irish Cup. These changes would have seen six fixtures being played in the competition before Christmas, which would have compromised the integrity of Scottish Rugby’s flagship club competition, the BT Premiership.

Club Awards Dinner
On a glorious summer evening at BT Murrayfield Stadium, 18 trophies were handed out at the annual Scottish Rugby Club Awards Dinner, recognising the impressive playing efforts and selfless off-field commitments of the many people involved in rugby throughout Scotland. RBS Club of the Season went to Marr, who not only won RBS Championship A and were promoted for their fourth consecutive season, but were lauded for their development work and strong links with local secondary school, Marr College, championed by development officer, Rory McGee.

To see all the Club Award winners, please visit scottishrugby.org/awards
Caithness RFC

One of our most northerly clubs, Caithness RFC, kicked off their season with a special addition to their Millbank ground. As winners of a Scottish Rugby competition, the thirty-year-old BT Murrayfield posts made the journey to their new Thurso home and an exciting season opener which saw the home side defeat Mackie in extra time. Caithness then made it through to the RBS Shield final at Broadwood in April, where they were eventually overpowered 6-27 by a clinical Preston Lodge, and finished their season with the opening of an impressive new clubhouse, very much a community-funded effort.

Better person, better player, better team, better club, reads the inscription inside the building and that’s something President Frank Stephen believes is at the foundation of the side’s successful season.

He said: “There’s a really good family atmosphere within the club, it’s a friendly environment, and the amount of good wishes we got before the Shield final was unbelievable. The challenge now is to keep that going forward; keep the feelgood factor.

“The great thing about rugby here is that it’s a classless game. Everybody’s involved in playing the game and that’s the most pleasing thing.”

Scottish Rugby TV on YouTube
Watch Caithness RFC christen the BT Murrayfield posts (search: Caithness Posts)
Scottish Rugby is committed to expanding rugby in schools, with the focus on state schools, primarily through the expansion of our schools of rugby scheme, while continuing to support youth sections in clubs.

Photo: – Kids enjoying their rugby at Marr
Over the past season, our Regional Development Managers (RDMs) have continued to work with schools, managing the partnerships for development officers, community coaches and Schools of Rugby. The development staff also support the following national projects designed to help increase participation across Scotland.

**Food Standards Agency**

We have been in partnership with the Food Standards Agency in Scotland for seven years now, delivering the Hygiene, Healthy Eating & Activity in Primary Schools programme (HHEAPS). This is designed to promote integrated messages about food safety and a healthy diet, and ties in with a block of tag rugby over a six-week period. Sessions are planned by local Club Development Officers with the Active Schools network and school contacts.

**Rugby Champions**

This incentive and reward programme for state secondary schools is designed to thank and support the key member of staff who works hard to support, sustain and increase the amount of rugby being offered in their school. The programme aims to recruit one member of staff to act as the champion for rugby, helping ensure that curricular and extra-curricular sessions and fixtures are provided for pupils on a regular basis, and to liaise with local development staff and clubs to encourage retention and transition of players into club rugby. The programme, now in its seventh year, has enabled Scottish Rugby to thank those vital volunteers who have led rugby in their schools for many years, and to help recruit new volunteers who are committed to school rugby and growing the game.

We would like to thank our Rugby Champions for their ongoing support and efforts in running rugby for their school. They make a massive contribution to the game which has an impact at all levels, and they do so in face of challenging school budgets and demands on their time.

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**The Way Forward**

**Schools & Youth**

Over the past season, our Regional Development Managers (RDMs) have continued to work with schools, managing the partnerships for development officers, community coaches and Schools of Rugby. The development staff also support the following national projects designed to help increase participation across Scotland.
Broad Participation

A significant proportion of the CashBack for Communities funding (see p50) is invested in the club development officer posts, which are responsible for delivering primary school and secondary school programmes, club development and coach education across all 32 local authority areas. Scottish Rugby has delivery targets for schools which we have exceeded this year, and every year since the start of CashBack.

Youth Coaching Course (YCC)

This programme was created to help young people gain basic coaching skills, prepare them for a coaching role in a local club or school and progress towards Scottish Rugby’s RugbyReady and UKCC coaching qualifications. Classroom-based sessions are delivered alongside essential practical sessions, covering child protection, safe coaching practice and session planning. Around 600 young people have completed the programme this year, many of whom have gone on to deliver activities in their school and community, in support of development staff. Over the past six years several young people have progressed from the YCC into Scottish Rugby’s modern apprenticeship programme, and on into further education and employment.

G4S Street Rugby

A low-level diversionary version of rugby, this is designed to be taken into communities to offer young people a positive activity. Its success depends on the quality of information provided by Community Safety or Planning Partnerships, youth wardens and police who direct staff into targeted areas at times when young people are known to congregate. Development officers tailor the format to suit the participants – in some cases they run non-contact forms of rugby, whilst in other sessions they may be able to introduce contact. Each local authority has an allocated number of sessions based on factors including the population of young people and levels of deprivation.
G4S Street Rugby Referral Groups

An evolution of street rugby, launched in 2011, this sees development staff work with police, youth workers and school guidance staff to identify young people who are at risk of falling out of education or training and into a pattern of anti-social behaviour. Participants are required to sign up to a programme of learning to play rugby, with a target of playing a competitive rugby match. Some progress onto a ‘learn to coach’ phase, gaining coaching skills and experience, positive coaching values workshops, and qualifications such as the Youth Coaching Course and RugbyReady.

The referral programme has become increasingly popular over the past year as local partners recognise its positive impact on challenging young people. Twenty-two referral groups will run in 2014/15 in areas including Alva, Raploch and Cornton in Stirling, Torry in Aberdeen, and Levenmouth in Fife.

Schools of Rugby

Launched in 2011, the programme now involves 29 schools thanks to added investment from local authorities who have recognised its impact. The schools receive a package of resources to help staff the programme, as well as on-going support from Scottish Rugby staff and local development officers. Groups of S1 and S2 pupils form School of Rugby classes who receive up to five rugby-based sessions per week. Pupils are assessed ongoing on skills acquisition and development (key national themes) and physical competence (functional movement screening). Schools are also measured on the growth of rugby across the whole school with targets set for player and team numbers, as well as how the programme has positively impacted on the Curriculum for Excellence and pupil skills and behaviours. The programme has had a significant impact on the number of active rugby players and teams in these schools, as well as gaining recognition for the valuable role that rugby can play in the development of young people and the whole-school experience.

During 2013 our CashBack programme was evaluated by external consultants Blake Stevenson to assess its impact. The obvious benefits to health and physical activity were clear but there was also recognition of the positive impact on the behaviour and attitudes of participants, and the improvement in life skills, attendance and attainment of participants in schools in particular. The Scottish Government has committed to continue supporting these programmes through CashBack for another three years (2014-17), for which we are very grateful.

Wooden Spoon

The rugby charity that helps disadvantaged young people has worked with Scottish Rugby over the past four years, funding the ‘New Communities’ project in Inverclyde and Fife which supported young people who have fallen, or are at risk of falling, out of mainstream education, training or employment. The programme used rugby as a ‘hook’ for developing health, skills and behaviours which help these young people back into the mainstream. Though it has now come to an end, the programme has helped numerous young people stay in education and play rugby with Greenock Wanderers, Glenrothes and Buckhaven High School in particular.

Our partnership with Wooden Spoon has developed further this season through the launch of the Game On programme with Glasgow Warriors and Edinburgh Rugby. Game On staff work with local agencies such as Rathbone, who identify young people who would benefit from a placement with the pro-clubs, where rugby is used to develop employability skills and behaviours. Complementary workshops/
training are arranged with local partners (such as the Army and Duke of
Edinburgh Award scheme), as well as potential work placements.

Youth Cup Finals

In the National Youth competitions, the under-18 Cup was lifted by Jed Thistle,
defeating Ayr in the final, with Ayr winning the under-16 Cup. The under-18
Bowl was won by Dumfries while the under-16 Bowl went to Boroughmuir. The
newly introduced Scottish Rugby under-18 and under-16 Leagues saw Ayr
complete a double in what proved to be an outstanding season for youth
rugby at the Ayrshire club.

Buckhaven High School

Members of the Scotland squad went back to school in the break during the RBS 6 Nations earlier this year,
to help with skills sessions, fun and games – and
draw the semi finalists in the RBS Cup – with pupils at
Buckhaven High School.

Such has been the pull of rugby since teacher Willie
Allan sparked interest in the sport more than ten years
ago, the number of teams competing at the school
has grown, with the latest addition the Buckhaven
Sharkettes, a girls’ team for third and fourth years,
created through the pupils’ own requests around one
year ago.

The Fife secondary provides regular rugby fixtures from
first year through to the senior team and following
a visit to BT Murrayfield by a number of the young
players, when Director of Rugby Scott Johnson heard
of the work being done, he was keen to reciprocate
with a visit to the 1,300 pupil school.

Grant Whytock, school head-teacher, said: “The
whole school was very excited about the visit of the
Scotland rugby squad. Our players picked up some
good tips from the professionals that will came in
useful for the rest of the season.”

Back in the classroom, Scotland players Chris Fusaro,
Moray Low and Sean Lamont and assistant coach
Matt Taylor, then helped pupils make the draw for the
RBS Cup, Shield and Bowl semi-finals.

Brewin Dolphin Scottish Schools Finals

In the Brewin Dolphin Scottish Schools Cup Finals, George Watson’s defeated
Dundee High School in the under-18 final, and completed a Cup double
by defeating St Aloysius in the under-16 final. The newly introduced under-18
Shield was won by Stewart’s Melville College while the under-18 Plate went
to Glenalmond College. In the under-16 tournament, the Shield was won by
Fettes College and the Plate by Royal High School.

For more information on all these programmes and results,
please visit scottishrugby.org/schools

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please visit scottishrugby.org/schools
Performance Rugby

This season has seen a continuation in Scottish Rugby’s commitment to develop its players and teams at the elite levels of the game.

Changes have been made at the top-end of Scottish Rugby’s performance department as Scott Johnson now focuses solely on his role as Director of Rugby. Vern Cotter, has taken charge of the Scotland side as head coach.

Across the board, our national and professional sides have charted some significant and positive results this season, yet Scottish Rugby recognises that progress must be made.

Photo: David Denton against Ireland in the RBS 6 Nations.
Scotland

Scotland emerged from the 2013/14 international programme with five victories from the 12 Test matches they played. Yet the bald statistics reveal little of the backstory to the year, where once again the undoubted character of the squad was underlined. Hard on the heels of the 2013 summer tour – in which ten new caps were blooded – a dozen new players made their Scotland debuts in the past year.

Much interest surrounded a newcomer in the management ranks: Vern Cotter took on the role of head coach for the 2014 summer tour (succeeding Scott Johnson) having completed his contract with Clermont Auvergne.

Cotter made an encouraging start, piloting the team to three wins on the four-match tour. As a typical no-nonsense New Zealander, his mantra – that he wants Scotland players to do the basics of the game really well – will find ready acknowledgement among Scotland supporters who continue to throng to representative and pro-club rugby in record numbers.

In the recent past we have become accustomed to a diminutive match-winner in Scotland ranks and Greig Laidlaw, with his calm persona and admirable technique, once again did the business, his goal kicking proving instrumental in the team’s win in Canada on the second match of the summer tour.

Yet in terms of the development of the squad it was Laidlaw’s half-back partner, 23-year-old Duncan Weir, who contributed, arguably, the two best individual moments of the year.

Weir started the year by scoring his first try for his country – off the bench – in a convincing win against Japan but it was his execution of skills under the most intense pressure, firstly against Italy in Rome and then against Argentina in Cordoba, that rightly attracted the plaudits.

His drop-goal in Italy, crowning a match in which Alex Dunbar’s brace of tries had also offered much hope, was surpassed by a long-
range match-winning penalty to secure Scotland’s fourth triumph in a row on Argentine soil in June.

Narrow losses at BT Murrayfield to Australia and France were further evidence of the tiny margins that have a bearing on international results but the defeats to Ireland, England, Wales (complete with Stuart Hogg’s red card) and South Africa (twice) over the past year are the starkest facts that Cotter and Director of Rugby Johnson will focus upon as Scotland move into the 2014/15 season and the build-up to the 2015 Rugby World Cup.

Scotland A

In their only outing of the season, and aiming for a hat-trick of victories over the England Saxons, a draw was the final outcome in a keenly contested match.

Led by 19-year-old Glasgow Warrior Jonny Gray, a packed house at Scotstoun saw Allister Hogg feature in a blue jersey for the first time since 2009. A drop goal and penalty from Henry Pyrgos in the first half was augmented by a Byron McGuigan try and Tom Heathcote conversion and penalty to even the scores at the final whistle.
Scotland 7s

The highlight of the 2013/14 sevens season was a fourth place finish at the team’s home tournament, the Emirates Airline Glasgow 7s, in May.

Impressive performances on day one saw the Scots put aside Australia (19-7), USA (26-0) and Spain (33-12) to top the group. On day two they continued to give fans something to shout about, qualifying for their third ever Cup semi-final, by beating South Africa, 12-7, in the quarters.

In the semi-final the Scots lost-out to Canada, 7-10 and then Fiji in the third-fourth placed play-off, 10-17. Getting to the semi-final matched their previous best World Series performance, which was at BT Murrayfield in 2009.

The remainder of the Series was a mixed bag, as the team reached the Cup quarter-finals in Dubai, the second tournament of the year, then backed it up with a Shield trophy in South Africa a week later.

In Hong Kong, the team didn’t have the best start, suffering defeats in their group to New Zealand (0-33) and Samoa (14-19). However they bounced back on day three to win the Bowl, beating Kenya (26-12), Argentina (24-12) and France (31-5).

Throughout the World Series campaign a number of XV professionals were introduced to or returned to sevens as head coach Stephen Gemmell looked to name his strongest squad for the Commonwealth Games later in the summer. These players included Mark Bennett, Scott Wight, James Eddie, Richie Vernon and Lee Jones from Glasgow Warriors and Nick De Luca and Jack Cuthbert from Edinburgh Rugby. Stuart Hogg and Sean Lamont were also named in the Glasgow 2014 squad, without having competed in the World Series this year.

Prior to the Games, a new head coach was named to lead the abbreviated national team from the outset of the 2014/15 season. Calum MacRae, former Scotland A, 7s, Border Reivers and Edinburgh Rugby centre, joined from Newcastle Falcons, where he was skills coach for three seasons.

Andrew Turnbull and Colin Gregor both reached 50 caps in this year’s Series, in Gold Coast and London respectively, while in December, Gregor also passed 1000 points scored for Scotland 7s in Port Elizabeth in South Africa.

Scotland Club XV

A 41-man extended squad was named in December by head coach Phil Leck, including players from nine of the RBS Premiership clubs, a number of Scottish Rugby’s elite development squad, and 16 players returning from 2013’s initial squad.

Weekly training sessions were enhanced with a trial game at the start of January and a warm-up fixture with Scotland under-20 at the end of the month before captain Murray Douglas led the team out against Ireland in Cork.

In a disappointing opener, the Scots only managed one penalty from the boot of scrum-half Peter Jericevich, in a 28-3 defeat. Four weeks later Old Anniesland, Glasgow was the venue for the side to take on France Federale. Unfortunately it was a repeat performance, with centre, Jack Steele, the only player to play for the host club, Glasgow Hawks, scoring the only points for the home team with a penalty. 0-16 down at half time, the Scots struggled to keep possession and an ill-tempered ending to the match saw the final score 3-30.

For full results from all matches, please visit scottishrugby.org/results
Photo: Scotland 7s prepare to represent the nation at the Glasgow 2014 Commonwealth Games
Glasgow Warriors

It was a historic season for Glasgow Warriors as they reached their first ever RaboDirect PRO12 Final. Despite going down 34-12 to Leinster at the RDS in Dublin in May, it was a successful season for the Warriors both on and off the pitch. A record home crowd of 10,000 was achieved for the first ever home play-off and the average attendance for the season rose to just under 6,000.

The Warriors had a disappointing Heineken Cup campaign with an opening round defeat to champions Toulon in France and, despite a win at home to Exeter Chiefs, back-to-back defeats by Cardiff Blues all but eliminated them from the competition. Glasgow recorded a first win in England in European competition when they beat Exeter Chiefs at Sandy Park in January and then finished their Heineken Cup campaign with a narrow defeat to Toulon at Scotstoun.

The league season started with a win at home to Cardiff Blues, thanks to a second-half Tommy Seymour try. A James Eddie touchdown stunned Ravenhill the following week as Warriors came from behind to edge Ulster 13-12 for the Warriors first win in Belfast since December 2009. In a tight game against defending champions Leinster the following week Glasgow recorded their first victory over the Irish club since September 2011.

Gregor Townsend’s squad then travelled to Italy where they defeated Zebre in Parma and then eight days later came away from Parc Y Scarlets with a narrow 17-12 win. A disappointing home defeat to league leaders Munster followed but back on the road again, the Warriors continued their good away form by defeating Connacht in Galway.

After the international break, the club went down 23-8 at home to the Dragons on a freezing night in Glasgow, but bounced back at the end of November, beating the Ospreys 28-16 in Swansea. Scrum-half Chris Cusiter scored a crucial second-half try, with Glasgow fighting back from 16-6 down to earn the points.
December games against Benetton Treviso and Edinburgh were postponed due to a waterlogged Scotstoun pitch however an impressive 20-16 win over rivals Edinburgh Rugby at BT Murrayfield on Boxing Day ended the year on a high.

After a six-week RBS 6 Nations break, Glasgow returned to league action with a narrow victory over Connacht before three away games kicked off with an impressive win over Cardiff Blues, setting a league record with their seventh consecutive win on the road.

A 24-23 defeat to the Dragons at Rodney Parade was followed by a 28-25 reverse to defending champions Leinster in Dublin, before they bounced back with three home wins – over Scarlets, Ospreys and Benetton Treviso – to keep them in the hunt for a play-off place.

Arguably the most important win of the season came at Thomond Park on Saturday 12 April with a first RaboDirect PRO12 home defeat (22-5) of the season for Munster. That same day, Glasgow sent a squad to compete at the Melrose 7s for the first time and they won the tournament, beating Edinburgh Accies in the final.

The following week Warriors beat Ulster at Scotstoun to move into third spot in the RaboDirect PRO12 – their fifth consecutive victory – before lifting the 1872 Cup with a 37-34 win over Edinburgh (57-50 on aggregate), in front of a crowd of almost 9,000 at Scotstoun, then the biggest ever attendance for a home game.

Glasgow then beat Treviso away and Zebre at home to secure their first ever home league play-off. Munster were the visitors to Scotstoun and in front of yet another record crowd of 10,000, Glasgow narrowly won 16-15. A try from Gordon Reid proved enough as Glasgow booked their place in a first ever major final. Two weeks later at the RDS, Warriors were within two points of the hosts with 20 minutes on the clock, but Leinster fought back to defend their title.
Edinburgh Rugby

The club began the season with news of the appointment of Alan Solomons as head coach of the capital club and rounded off 2014/15 with the announcement of lock Grant Gilchrist as Scotland captain for the third and fourth summer tour Tests, against Argentina and South Africa.

Former South Africa assistant coach, Solomons, who had steered the Barbarians to wins over England, Scotland, Wales, South Africa and New Zealand and led clubs to silverware in both the northern and southern hemisphere, arrived at BT Murrayfield in August 2013. From the outset, he underlined that his relatively late arrival meant that, in order to conduct a root and branch rebuild, the club’s players weathered a ‘pre-season, in season’.

The club worked hard to build on the foundations put in place by a testing early season regime and deliver incremental improvements. This was evidenced by equaling their highest league placing since the Celtic competition expanded to a PRO12 in 2010/11, on top of three Heineken Cup pool wins (something achieved only twice in the last ten years).

With the 2013/14 season over, staff, coaches and players are once again united in their efforts to improve the fortunes of the capital club, representing the Lothians, Borders, Tayside and Fife in elite rugby competition.

The vision is to build a sustainable club through the medium of the club’s academy, and to grow an inspirational and winning rugby culture for current and future Scottish rugby players. For the 2014/15 season, 71% of the club’s wider, 45-man squad are eligible to represent Scotland today. Add in the academy of elite development players (EDPs) and this rises even higher.

Crucially, recruitment over the previous and close season, and the promotion of EDPs into the senior squad, means Edinburgh Rugby have enough young Scots coming through to field close to a full Scottish under-23 team. This bodes well for the future of the club, particularly when viewed in the context of a new-look leadership group that adds Grant Gilchrist, Matt Scott and David Denton to the likes of Alasdair Dickinson, Mike Coman, Ross Ford and Andries Strauss.

This approach will help build an increasingly successful team in the PRO12 League and European Challenge Cup, and thus grow the intense and competitive environment for the nation’s best, home-grown talent to develop and prosper.

Ones to Watch

Sam Hidalgo-Clyne (20): Hidalgo-Clyne graduated from the club’s elite development roster early in 2014 after two years in the programme. A quick wit and lightning acceleration have seen him impress in his debut season, with more expected of the highly-rated scrum-half who has extended his contract until 2016.

Chris Dean (20): Scotland 7s and under-20 centre Chris Dean joins the club on a two-year deal. As captain of Edinburgh Academy, he lifted
Young supporters form a guard of honour for the team the Brewin Dolphin Scottish Schools’ Cup in three consecutive seasons, has represented Scotland at every age grade, in sevens, and into this summer’s IRB Junior World Championship in New Zealand.

Jamie Ritchie (17): In back-row Ritchie, Edinburgh Rugby have one of the top young talents in the Scottish game. So much so that the Scotland under-18 captain has been contracted straight from school into the senior squad. He has represented Scotland at under-16, under-18 and most recently under-20 while still aged just 17.

Off the Pitch
Edinburgh Rugby business club continues to go from strength to strength, with over 40 organisations involved in regular opportunities to network with like-minded business people across the city. Our members have access to Edinburgh Rugby’s regular season European Rugby Challenge Cup games and PRO12 matches from the comfort of the BT Murrayfield boxes and at least four non-match day events are also held each season.

Game On! This initiative has enabled us to help scores of youngsters, aged 16 to 19, who are not currently in employment, education or training to find their way in life, to get into a training programme, find a job or apprenticeship or return to education. Based at BT Murrayfield, participants learn new skills, both on and off the field, embracing the core values of respect, leadership, achievement, engagement and enjoyment.

Edinburgh Rugby match-day master classes take place at every home fixture to help contribute to the best possible game-day experience for young supporters. This season, more than 50 teams participated in our match days, getting involved in skills sessions, being our guard of honour and playing games on the main pitch at half-time. Our aim is to build on this number every year and make sure that more of our young fans have an evening to remember.

Play On This season Edinburgh Rugby launched Friday night social rugby on the back pitches at BT Murrayfield Stadium. The monthly pitch-up-and-play event for adults is designed to offer an easy rugby outlet for those who can’t commit to regular training and playing.
Scottish Rugby Annual Report 2013/14

Referees

Former High Performance Manager in the South African referee department, Tappe Henning, was recruited this year as Referee Commissioner. He was initially tasked with conducting a complete review of refereeing in Scotland to produce a roadmap for the years ahead. This has now been completed and approved, and is being implemented.

Neil Paterson continues with appointments in European competitions where he refereed two Heineken Cup and four Amlin Cup pool games, and is one of the top referees performing in the PRO12 league. Andrew McMenemy, now with six Amlin Challenge Cup games under his belt and ten PRO12 games, also refereed at the IRB Nations Cup in Romania in June.

Lloyd Linton and Sam Grove-White continue to combine their final year studies at university with a full programme of referee appointments. Lloyd was appointed to the Spain v Russia FIRA international, two 6 Nations under-20 internationals, a number of PRO12 and British & Irish Cup quarter final matches. Sam continued to progress in the domestic competitions, starting the season in the National leagues, moving on to a number of Premiership fixtures, the FIRA under-19 tournament in Poland and number of external exchanges including France under-18 v England under-18.

James Matthew refereed in two legs of the HSBC Sevens World Series and at the 2014 Commonwealth Games in Glasgow. Promoted to the High Performance group early in the season, Graeme Wells finished his year by refereeing a FIRA international between Czech Republic and Moldova.

Our Academy referees continue to make significant progress with the majority being appointed to Championship games as the season progressed, Keith Allen at the under-16 international tournament in Wellington and Gordon Corry at a number of FIRA 7s events in France and Russia.

Bob Nevins and Graeme Marshall, from our dedicated assistant referee panel, have been involved in some high profile appointments, with Stephen Hart and Stephen Ward appointed to assistant positions in FIRA internationals.

Domestically, the referee societies continue to fully support all clubs from their pool of match officials to ensure all games have a fully qualified referee at the appropriate grade to cover their league games. A total of 444 club members have undertaken the level 1 refereeing qualification this season, bringing the total of qualified officials across Scotland to 2177; around 400 of these are members of their local referee society and available to be appointed each week of the season. Society referees have taken charge of approximately 3700 games across Scotland (excluding the games covered by club referees).
Mike Adamson

Often players look to moving into coaching when they hang up their boots however former Glasgow Warrior and Scotland 7s’ Mike Adamson has decided to follow the officiating path, combining this with his current role as development officer for Glasgow Hawks.

He had already refereed school games and student matches with Glasgow University towards the end of 2013 when representatives from Scottish Rugby went to watch him in action and discuss the options available in the world of officiating.

Mike said: “When I was playing I felt I’d be good at it [refereeing]. With the right opportunities, I saw I could progress more as a referee than a coach.

“I want to be able to let the game flow. When I watch the games on TV now, I watch them differently – from a ref’s point of view. There are all sorts of things you don’t think about as a player that referees have to do – when players are being negative you want to try to manage that out of the game instead of penalising and not saying anything and just expecting players’ attitudes to change.”

Mike has notched up an impressive number of appointments in his debut season, from his first game – Heriots v Livingston in the Cup – to Scotland under-20 against Scotland Club XV at Netherdale in April, a number of matches at May’s Emirates Airline Glasgow 7s and the Plate final at the Marriott London Sevens.

Scottish Rugby TV on YouTube
Interview with Mike prior to Emirates Airline Glasgow 7s (search: Mike Adamson)
Our Autumn Test opponents Argentina, who we defeated on the recent summer tour, will be the first international visitors to set rugby boots on the fresh hybrid turf of the newly-titled BT Murrayfield Stadium.

Yes, much has happened in 12 months in the world of Scottish rugby as we continue to attract more support and increasing investment in our game, particularly allowing for the continuing global financial challenges.

Despite a testing season on the pitch, the shoots of recovery are evident. Not just in the improvements we have been able to make to the fabric of our stadium but the fruition of plans to grow the game at all levels. These aims can only be realised through significant investment and Scottish Rugby continues to attract blue-chip backers and big-name organisations.

Before the season had kicked off, sportswear giants Macron had come on board as kit partners of our national teams and pro-clubs, and the new apparel was unveiled at the prestigious Archerfield Links Golf Club in August. Just a few days prior, BT Sport were announced as shirt sponsors of Glasgow Warriors and Edinburgh Rugby.

In February we welcomed car retailer Peter Vardy as our vehicle partner and in May, global communications giant BT added their support in a historic sport sponsorship agreement. Securing the naming rights, the home of Scottish rugby became BT Murrayfield Stadium in a deal which also covered sponsorship of Scottish Rugby’s four new academies, of the Scotland 7s squad, and principal and exclusive sponsor of Scotland’s domestic league and cup competitions from season 2014/15.

These are all long-term deals, the majority for four years, underlining confidence in our product and a real desire to work with us to grow our sport. RBS continue to be our national team sponsor and we have also welcomed Lucozade Sport over the course of the season.

Investment has also come from a variety of other sources. Our biggest asset, BT Murrayfield Stadium, attracts world-renowned businesses who host events and conferences in our Suites and Boxes, ploughing money back into the game through our hospitality partners, The Murrayfield Experience. Currently the biggest band in the world, One Direction, chose to play the only Scottish date of their 2014 tour here when over 64,000 fans made it the biggest ever stadium gig in Scotland. Most recently, Celtic FC swapped the oval ball for the round version by playing their Champions League qualifier fixtures at BT Murrayfield.

Our relationship with government grows and we continue to be an appreciative recipient of...
CashBack for Communities funding, with money from the proceeds of crime directly helping grass roots rugby through initiatives such as Schools of Rugby.

The Department encompasses media relations, social media, website, marketing, ticketing, retail, events, pro-teams, commercial, corporate affairs and broadcasting.

We have seen a strong year of growth and activity across all sectors and I express sincere thanks to all staff here for their achievements.

Ongoing commercial growth for our pro-teams remains a priority and it was pleasing to see the progress made by Glasgow Warriors in particular in this regard over the period.

Strong connections to our supporters matter hugely to Scottish Rugby and we will look to build on the many initiatives here – for example making it easier for fans to buy season passes – over the course of the coming season.

We cannot afford to be complacent, however, with strong strategic aims to fund and will continue to explore all avenues and innovative ways to ensure rugby thrives and future generations are inspired.

Dominic McKay
Director of Commercial Operations, Communications & Public Affairs, Scottish Rugby
Scottish Rugby continues to work closely, locally and nationally, with politicians across all parties to ensure the long-term growth of our game.

**CashBack for Communities**

The Scottish Government’s CashBack for Communities programme has been a significant contributor to Scottish Rugby for the past six years. CashBack funding, derived from the seized proceeds of crime, has been invested in a range of programmes across Scotland providing activities that are open to all young people, including those in areas of urban and rural deprivation. CashBack funding has enabled us to invest into more Club Development Officer posts, as well as delivering innovative programmes such as Street Rugby and Schools of Rugby. The programme can be divided into five key areas, namely broad participation, Youth Coaching Course, G4S Street Rugby, G4S Street Rugby Referral Groups and Schools of Rugby. For more information on these initiatives, see pages 33 and 34.

**CashBack Artificial Pitches Fund**

In June 2013 the Scottish Government, sportscotland and WREN (Waste Recycling Environmental Limited) launched a new fund totalling £3.15 million for investment into dual use artificial rugby/football pitches. Applications were invited from clubs, and local authorities (in partnership with clubs), and awards made following an assessment process that involved the Scottish Government, sportscotland, Scottish Rugby and the SFA. The fund has now closed and 11 pitch projects have been given a conditional award, with locations ranging from Aberdeen to Ayrshire, which will help numerous rugby clubs access improved facilities for training and match-play year-round, and cope with the unpredictable Scottish weather!

**Parliamentary Reception**

This annual event gives Scottish Rugby an opportunity to update ministers and
Kenny MacAskill with Cammy Watt of the SFA, Scottish Rugby Vice President
Ian Rankin and Edinburgh Rugby players Sam Hidalgo-Clyne and Ollie Atkins

MSPs on our progress in terms of our strategic plan, Inspiring Scotland Through Rugby: The Journey to 2016, and encourage further backing from them to continue funding our sport, as well as thanking them for their ongoing support.

This year’s Holyrood gathering, held in October and hosted by central Scotland MSP, Clare Adamson, saw coaches, teachers and officials from various organisations in Scotland giving testimony to how the CashBack Schools of Rugby or facilities fund, as well as support from sportscotland, had had an invaluable impact on their pupils or clubs.

Minister for Commonwealth Games and Sport Shona Robison MSP said: “The Scottish Government is a committed supporter of Scottish Rugby and greatly values its support and contribution over a range of policy initiatives. In addition to the significant financial support through sportscotland and the Cashback for Communities programme, we also have an excellent working relationship at all levels of the organisation. I was fortunate to visit Strathmore Rugby Club after their successful application for CashBack funding last year and it was fantastic to see the tangible difference this investment can make in improving the playing experience for youngsters.”

Parliamentary Motions 2014 have included

**Bill Kidd – Record-breaking Warriors** That the Parliament congratulates Glasgow Warriors on the team’s 16-15 win against Munster in front of a record crowd of 10,000 at Scotstoun Stadium, meaning that it is the first Scottish side to reach the final of rugby’s Pro 12 tournament, and believes that, after a nine game winning streak to get to this stage, the team, with its coach, Gregor Townsend, and captain, Al Kellock, have put a smile back on the faces of Scottish rugby fans.

**Liam McArthur – Scottish Rugby Supports the University of Aberdeen Nerve Repair Group** That the Parliament commends Scottish Rugby for its support for pioneering spinal cord injury research being carried out at the University of Aberdeen’s Aberdeen Nerve Repair Group; understands that scientists at the university are making use of a multi-pronged approach, by incorporating a combination of methods to treat injuries and repair nerves; is concerned that around 40,000 people in the UK live with the consequences of spinal cord injuries.
Corporate Social Responsibility

Scottish Rugby, in common with many other major organisations, receives a significant level of requests for many kinds of charitable support. In order to deal with those requests effectively and equitably, in 2007 the Scottish Rugby Board approved a charity policy, which was subsequently revised and updated (2010). In light of the wider support we may be able to offer, in addition to those we historically support, the policy was further amended this season.

We have a group of charities we work with on a regular basis, who have a strong connection to the rugby family, namely The Murrayfield Centenary Fund, Save the Children, Wooden Spoon, Hearts & Balls and The Bill McLaren Foundation.

This season we have also supported many good causes with links to supporting grassroots rugby and the development of young people, in a variety of ways.

Scotland’s national squad lent their vocals to a recording of Frankie Miller’s A Bottle of Whisky, released during the November Tests, which in addition to raising funds for The Murrayfield Centenary Fund, also benefitted two charities that are close to Frankie’s heart, ENABLE and Equalsay, who both work with the learning disabled in Glasgow.

Matthew Campbell, 16-year-old pupil at Elgin Academy, passed away in January this year following a brave battle against cancer. A staunch rugby supporter, his classmates decided to honour his memory by staging a rugby match between an Elgin Schools under-18 side and a Moray West under-18 team.

With practical assistance from Scottish Rugby, through Moray Development Officer George Whitecross and Regional Development Manager Peter Young, the Matthew Campbell Memorial Shield fixture took place in March at Moray RFC. Matthew’s parents joined schoolmates, teachers, family and friends for the match, played out in glorious sunshine with the spirit of rugby to the fore.
The Clan is the country’s only unified rugby club, where players with a disability train and play in the same team as non-disabled players. The club believes that by engaging in a team game like rugby, it can also provide an outlet for those who wouldn’t normally be engaged in sport, getting people with learning disabilities more active.

Scotland 7s’ squad member Colin Shaw first met the players while involved in a junior sevens festival at the club in March and returned to begin training with the players the following month. He donated kit to help them in their Tri-Nations festival in June and Scottish Rugby provided tickets to enable the players to come see Scotland 7s compete at the Emirates Airline Glasgow 7s.

Scottish Rugby helped the club on the media front in the build-up to the Tri-Nations festival, which was hosted at Kilmarnock RFC, with Colin and Scotland 7s team-mate Mark Bennett on hand to support and hand out the prizes – primarily the Tri-nations Cup, won by The Clan who defeated opposition from England and Wales. It’s a relationship which will endure as Scottish Rugby explores various ways to support the club.

Armed Forces

Over the last two years we have developed strong links with all the Services and this season’s Scotland v South Africa November Tests was highlighted as the ‘Armed Forces International’. We assisted with tickets for troops, promoted their fundraising through the match programme and stadium advertising and members featured in our ball delivery and pre-match entertainment, generating positive publicity for Scottish Rugby both within the Services and in the wider community.

Extraneous kit

We often receive requests from Scottish members of the Forces on active service overseas and, due to the change in our kit providers this season, have been able to supply amounts of extraneous kit for their base rugby teams. Kit has also been distributed, following requests, to youth teams and to schools/groups who have charitable links to schools and clubs abroad, for example Scots working with a girls’ team in Uganda.

“Thanks for the kit donation.” Louise Northcott, Makindye, Uganda
Social Media

At the push of a button Scottish Rugby can make sure our supporters are first with the news about what’s going on at all levels of the game.

Whether it’s logging on to the web site, checking Twitter or viewing the latest video online, followers can keep up to date with all that’s happening on the move, on their mobiles or from the comfort of their laptop. Getting the word out as quickly – and often as quirky – as possible, has enabled our supporters to be first to read who’s in this week’s team, see behind the scenes and find out what’s happening all over their rugby world, whether it’s from Scotland’s summer tour or a crunch club fixture.

**YouTube**

The Scottish Rugby TV channel ranges from live streaming of internationals to behind-the-scenes features and big match round-ups. Both recent home under-20 internationals were streamed live, the match against England clocking up over 15,000 views; meanwhile there were 26,000 views of Scotland A’s draw with England Saxons.

In the year our views on our dedicated YouTube channel have gone from 239,000 one year ago to 1,025,000. Our audience has been drawn from some 209 countries and territories around the globe. We have welcomed more than 100,000 Scottish rugby supporters around the world to live streaming of matches via our site.

**Facebook**

The latest addition to our social media family, Facebook is a more interactive, competition-filled, behind-the-scenes look at Scottish Rugby, looking to drive supporter engagement. Active for six months now, the site has clocked up over 100,000 likes.

<table>
<thead>
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<th>Likes</th>
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<td>Glasgow Warriors</td>
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**Top 5 cities on Facebook for Scottish Rugby**

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**Youtube**

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<th>Views*</th>
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<td>677,153</td>
<td>658</td>
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<tr>
<td>Edinburgh Rugby TV</td>
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<td>Glasgow Warriors TV</td>
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<td>78,483</td>
<td>108</td>
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</tbody>
</table>

*from 1 August 2013 to 31st July 2014
scottishrugby.org covers everything that’s happening in rugby in Scotland. From the latest news in words and pictures, match reports and forthcoming fixtures to grassroots development and information downloads.

In the year from 1 August 2013 our website enjoyed:

- **10,750,000 page views**
  - Up 91% on last year
- **3,200,000 visits**
  - Up 27% on last year
- **1,300,000 unique users**
  - Up 39% on last year

### Instagram
For an instant look from what happens behind the changing room doors to what it’s like to run out of the team tunnel on match day, this is a 2014 addition to our electronic communication portfolio. We’ve almost 4,500 Instagrammers now checking out our exclusive behind-the-scenes content.

- **Followers**
  - Scottish Rugby: 4,395
  - Edinburgh Rugby: 1,824
  - Glasgow Warriors: 2,911

### Twitter
Currently numbering almost 75,000 followers, with around 2,000 new followers every month, we’re tweeting around 125 times each week – from the latest news and info to messages of support. Our Twitter followers crossed the 67,144 capacity of BT Murrayfield Stadium during the 2014 RBS 6 Nations and to celebrate the landmark Scottish Rugby designer Laura Chessar created an avatar extravaganza – a huge picture of a full BT Murrayfield on match day, made up of our supporters’ Twitter avatars. The picture was made into a huge weatherproof image which is displayed in the south west corner of the stadium, enabling supporters to ‘find themselves’ on match day and create a new meeting point at BT Murrayfield – a 21st century ‘clock’ for the social media generation.

- **24,835 followers**
  - @EdinburghRugby
  - @GlasgowWarriors

- **74,906 followers**
  - @Scotlandteam

Leadership · Enjoyment · Achievement · Engagement · Respect
The health and wellbeing of our staff and all visitors to our stadia is paramount and, to that end, Scottish Rugby is involved in an ongoing programme of education and awareness raising. Health and safety is the first agenda item discussed at every Scottish Rugby Board meeting.

Several Directors attended a one-day health and safety course for Senior Executives which outlined the importance of managing health and safety and the essential role that senior managers play. This was supported by five people from Management Services attending an intensive two week health and safety course (the NEBOSH National General Certificate) which has substantially broadened the department’s knowledge of health and safety management.

Additional staff training delivered included Display Screen Equipment assessors, First Aid at Work, Manual handling for Kit Store and Facilities team, and emergency exercises to test the organisation’s response to major incidents, including potential terrorism threats.

Scottish Rugby’s Health & Safety Policy was revised to provide clarity about the roles and responsibilities of individuals from Board level to employees, contractors and visitors, and the Health & Safety Committee continue to meet quarterly to review accidents, agree new policies and procedures and address concerns. Local groups will be established to encourage employee engagement at all levels.

A review of traffic management at BT Murrayfield resulted in the implementation of pedestrian walkways, a reverse parking policy in all car parks, and the introduction of a hi-vis (jacket) policy for staff working around the grounds. Additional lighting has also been provided at points around the stadium to facilitate egress from matches with later kick-offs.

A Hepatitis B vaccination programme was actioned for all professional players and ‘at risk’ staff along with a flu vaccination programme, offered to all staff, to ensure business continuity through winter months.

Looking ahead, fire safety improvements are a priority following a fire risk assessment review. This will include installation of standalone fire detection systems in specific areas, a repositioning of fire extinguishers and signage, implementation of routine fire safety inspections and testing, and regular fire drills and training for staff.

To enhance our existing facilities, we will be installing a ‘Changing Places’ toilet, with extra features and more space to meet the needs of a wider number of our disabled supporters.

Are you ready to play rugby?

There are four main strands to Scottish Rugby’s player safety initiative – Minimum standards for Coaches, Teachers and Referees; Age Banding/Dispensations; Age Grade Law Variations; and Injury Management.

The RugbyReady practical course – which is the mandatory minimum standard for all coaches, teachers and referees – was delivered to
over 4,000 coaches, teachers and referees this season.

The number of under-16 male players requesting to play under-18 rugby reduced by 30% on requests made in season 2012/13. The 127 boys applying to move up attended one of 28 assessment clinics around Scotland where 39% of the boys were found to have reached physical maturity and were therefore cleared to play at the older level.

After a comprehensive consultation process undertaken by Scottish Rugby last season there were changes introduced to the application process for under-18s applying to play adult rugby, in that it was only open to 17-year-olds and a pre-application assessment, carried out by a UKCC Level 2 coach, was required. Also, any front row players were required to have neck strength tests done by specially trained medical practitioners based at BT Murrayfield before being allowed to play front row in adult rugby at 17 years of age. Applications to play adult rugby decreased by 26% to 168 from the previous season; this included 22 applications from front row players, four declined to be tested and seven met the criteria and were allowed to play front row in adult rugby.

Scottish Rugby, in conjunction with the IRB, has developed a certificated rugby first aid course with the first of these courses taking place in August 2014.

Age Grade Law variations will remain the same for next season, following an extensive consultation process that identified potential changes to a number of the law variations. These will be considered further, including some analysis at trial events in season 2014/15, before introducing any changes in season 2015/16.

Scottish Rugby’s Concussion Management resource for coaches

Concussion Awareness

Earlier this year Scotland team doctor and Scottish Rugby’s Chief Medical Officer James Robson backed the launch of a Scottish Government leaflet being sent to sports governing bodies and schools, advising coaches, teachers and parents on how to spot the signs of concussion and what action to take.

The publication, supported by Scottish Rugby, the Scottish Football Association and sportscotland, underlines the thinking, ‘If in doubt, sit them out’ and came to fruition following the death of Co Antrim schoolboy, Ben Robinson, in Northern Ireland. The 14-year-old died from a rare version of traumatic brain injury called second impact syndrome, after a school rugby match in 2011.

This builds on work undertaken by Scottish Rugby over the last four years, primarily within the Are you ready to play rugby? programme, with its emphasis on teaching good technique and risk management, highlighting the value of sport, that there are possible risks but with care and knowledge can enjoy a healthy lifestyle.
**Scottish Rugby Board**

**Sir Moir Lockhead**

Originally a mechanical engineer, Moir went on to be Chief Executive of First Group plc, and was appointed as the chairman of the Scottish Rugby Board on 1 July 2011.

Awarded a knighthood for services to transport in 2008, following an OBE in 1996, he was re-appointed to the Board for a further three years from 1 July 2014.

**Mark Dodson**

Starting his career in 1979 at the Guardian Media Group, Mark became chief executive officer of Guardian Media Group Regional Media in 2005 and was also appointed to the Guardian Media Group Board.

He was appointed as chief executive in September 2011 and is one of Scottish Rugby’s representatives with European Professional Club Rugby.

**Ian Barr**

Instrumental in setting up the Midlothian Rugby Development Group, Ian has served as President of Lasswade RFC for a number of years and sits on the Scottish Rugby Council.

**Colin Grassie**

CEO in the UK and member of the Group Executive Committee of Deutsche Bank, Colin joined the Board on 1 July 2012. Born in Glasgow, he is a former triathlete, sits on the Advisory Board of Winning Scotland, and is chair of the Development Trust of the Glasgow School of Art.
Andrew Healy
Joining Scottish Rugby in 2007 as Financial Controller, Andrew was appointed to the Board as Finance Director in 2013.
A Chartered Accountant and born in Glasgow, he played with GHA for a number of years, before retiring and taking up refereeing for a further nine years. He played for Glasgow Schools, Glasgow under-18 and Glasgow under-21 and represents Scottish Rugby on the ERC Finance Committee.

Ian McLauchlan
Ian played for Jordanhill, Glasgow and Natal, was capped for Scotland 43 times (19 as captain) and played in all Tests in the successful British Lions Tours of New Zealand in 1971 and South Africa in 1974.
He served two terms as Scottish Rugby President, is a non executive member on the Scottish Rugby Board and is a Scottish Rugby’s representative with European Professional Club Rugby.

Donald Macleod
Elected as Vice President of the Union at the 2012 AGM, he was installed as President the following year.
Donald was the Scotland Team Doctor between 1967 and 1995 and the Union’s Honorary Medical adviser from 1971 to 2003. In 1983 Donald, a retired Consultant General Surgeon, served as Doctor on the Lions tour.

Mike Monro
A member of Aberdeenshire RFC since 1971, he has served as Secretary and President. On retiring from playing he refereed for a number of years and sits on the Scottish Rugby Council.

Dominic McKay
Director of Commercial Operations, Communications & Public Affairs, he joined Scottish Rugby in January 2008 from his previous post at drinks giant Pernod Ricard. He is Scottish Rugby representative on Celtic Rugby Limited (CRL) and Rugby Europe.
A keen sailor, he is Chairman and Trustee of the sailing charity Ocean Youth Trust Scotland.

Lesley Thomson QC
Scotland’s Solicitor General and a former general committee member at Melrose RFC, Lesley was appointed to the Board in 2013, the first woman to be appointed to the Board of Scottish Rugby.

Fergus Neil
A referee for eight years then a referee assessor, Fergus is an IRB accredited Performance Reviewer and has served as such at the IRB under-21 World Championships.
He chaired the 2007 SRU Match Officials Restructure Group and was chair of the SRU Match Officials’ Selection Panel from inception until his election to the Council.

Robert Howat
Robert joined Scottish Rugby as General Counsel in January 2013 and oversees the Legal and Governance Department. Prior to taking on this role he was company secretary at Celtic FC for 11 years.
Strategic Report

The Directors present their strategic report for the 13 month period ended 31 May 2014.

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 plc for all trading activities.

Business Review

The Union continues to work towards the objectives outlined in its Strategic Plan. Specifically, in the areas of academies, coaching, the women’s game, schools, clubs, and refereeing, the implementation of the strategies outlined during the course of the year has commenced and will continue in the coming months.

During the period, the accounting reference date was changed from 30 April to 31 May, to better encapsulate the rugby playing season as it stands. As a result, this period’s annual report shows financial results for a 13 month period, ended 31 May 2014.

The Union has achieved a surplus after interest for the period of £0.9m (year ended 30 April 2013: £0.9m). Turnover was £4.5m higher than in the year to 30 April 2013. While part of this is as a result of the change in the period end date to 31 May, there are a number of specific like-for-like changes within this position. Ticket income was £1.2m lower than in the prior year as a result of the number of home RBS 6 Nations matches, with two this season compared to three in 2012/13. Broadcast Revenue has also fallen, by £0.5m, both as a result of this period’s pattern of Autumn Test matches and a reduction in broadcast income received relating to the RBS 6 Nations. Other income was £6.1m higher than in the year ended 30 April 2013. This has resulted from a number of factors including an increase in Scotland and pro-club direct commercial revenues, an increase in hospitality and catering income, grants from sportscotland and the IRB, income from the British & Irish Lions Tour and the inclusion of income from both the May 2013 and 2014 Emirates Airline Glasgow 7s tournaments.

Within the expenditure categories, there is a general increase in investment across all areas of the game. Again, while this is, in part, as a result of the 13 month period, there are also specific like-for-like increases in a number of areas. Club Support and Development shows a 16% increase compared with the prior year, primarily as a result of £200,000 of increased investment announced at the 2013 AGM.
This category is generally season specific and, as such, is not significantly affected by the year end date change. International and Professional Rugby which represents the Union’s largest cost base, although similarly represents the largest income generating area, has increased from £20.9m to £23.6m. The equivalent 12 month expenditure for 2013/14 would have been £21.8m and this increase represents higher investment in the playing and coaching resources of professional rugby and the increased costs of supporting increasing crowds and sponsors. Commercial and Operational costs have increased from £8.9m to £10.1m (12 month equivalent of £9.3m), reflecting the increased focus on generating income, together with higher investment in the maintenance of BT Murrayfield Stadium. In the area of Community and Performance Rugby, an increase of £0.3m is primarily due to the 13 month period, and within Depreciation the rise of £0.15m is both as a result of the 13 month period, together with an increased charge as a result of recent capital investment in both BT Murrayfield Stadium and at Scotstoun Stadium in Glasgow.

Average bank borrowings over the period amounted to £10.2m, which is £0.9m below the level during the year to 30 April 2013. This is generally as a result of the surplus for the period, with various working capital and investment movements offsetting one another. Period end bank borrowings of £7.8m are £3.4m below the previous year level. This cash movement is principally as a result of the surplus for the period, controlled capital investment and various working capital movements, including the effects of cash inflow during the month of May. The equivalent year on year balance, as at 30 April 2014 was £8.9m. Interest payments fell to £0.7m, compared with £0.9m in the year to 30 April 2013, which allowed a further £0.2m to be invested in the domestic game in Scotland during the period, in line with the policy of utilising interest savings from a lower debt balance to re-invest in the club game.

The Directors continue to monitor borrowing levels, income and expenditure against budget on a monthly basis. They also monitor other key business issues including Professional and National Team performance which are fundamental to the Union’s strategy of growing the game within a stable commercial environment.

On pages 62 to 63 and 70 to 82, the Directors present their report and audited consolidated financial statements for the 13 month financial period ended 31 May 2014. The financial statements comprise the consolidated financial statements of the Union and its subsidiary.

Financial Risk Management
The risk management framework of the Union is well established with the ongoing identification, evaluation and status of business risks being presented formally to the Audit Committee, Scottish Rugby Board and Council, periodically.

Financial Instruments
The Union uses interest rate swaps to reduce its exposure to interest rate movements. Details of this are noted in the Accounting Policies and in Note 8 to the financial statements. The Union also uses forward sale currency contracts to reduce its exposure to exchange rate movements. Details of this are noted in the Accounting Policies and in Note 7 to the financial statements. Financial instruments are not used for speculative purposes.

By order of the Board

Robert M Howat
Secretary
Edinburgh, 31 July 2014
Board Report

The Directors present their report and audited financial statements for the period ended 31 May 2014. An overview and review of the Union can be found in the Business Review, within the Strategic Report on pages 60 and 61.

Going Concern

The Directors believe that the Union has adequate resources to continue in operational existence for the foreseeable future and it therefore continues to adopt the going concern basis in preparing the financial statements.

Employees

Scottish Rugby recognises the value and importance of promoting equal employment opportunities for its current and future staff and considers all forms of discrimination to be unacceptable in the workplace. We aim to be an inclusive organisation where everyone is treated with dignity and respect and where diversity is valued across all of the recognised equality strands detailed within the Equality Act 2010. The organisation is committed to providing equal opportunities throughout recruitment, employment, training and career development and has a comprehensive Equal Opportunities Employment Policy, Equality and Diversity Policy and several other related policies that support the nine protected characteristics within the Equality Act.

We are committed to adopting equitable employment practices and terms and conditions which are based on the merits, ability and potential of individuals, and to avoiding any conditions or requirements that cannot be justified by the needs of the job. As an example of this equitable approach, Scottish Rugby has been granted the Positive About Disabled People award by Job Centre Plus, recognising our commitment to equality and confirming that applications from disabled people are always positively considered by the organisation.

In addition to our employment practices, Scottish Rugby has achieved the Intermediate Level of the Equality Standard: A Framework for Sport which is a collaborative effort between the four national Sports Councils, UK Sport and equality organisations to achieve measurable stands of equality. Scottish Rugby has also been awarded the Preliminary Level of the Equality Standard through our efforts and commitment to make rugby in Scotland open to all. A significant amount of work has been undertaken throughout 2013/14 in producing our Equality and Diversity Plan, which can be located on our website and we have appointed an Equality Champion.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through e-mail communication, team meeting briefings and the distribution of the Annual Report.

Statement of Directors’ responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Union’s financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for
that period. In preparing these financial statements, the Directors are required to:

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

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 and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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 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.

Auditors and Disclosure of Information to Auditors

So far as each Director is aware, there is no relevant audit information (that is, information needed by the Union’s auditors in connection with preparing their report) of which the Union’s auditors are unaware.

Each Director has taken all the steps (such as making enquiries of other Directors and the auditors and any other steps required by the Director’s duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a Director in order to make himself aware of any relevant audit information and to establish that the Union’s auditors are aware of that information.

Directors

The Directors of Scottish Rugby Union plc who held office during the year are noted on page 64.

By order of the Board

Robert M Howat
Secretary
Edinburgh, 31 July 2014
Scottish Rugby Council 2013/14

Patron
Her Royal Highness, The Princess Royal

President
Donald Macleod

Vice President
Ian Rankin

Scottish Rugby Council
Donald Macleod President
Ian Rankin Vice President
Peter Laverie Premier Division
Dr Doug Ward CBE National Division
John Steele Championship Divisions
Ian Barr Championship Divisions
Jim Littlefair Edinburgh Regional League
Jim Stevenson Glasgow North Regional League
Bill McMurtrie Glasgow South Regional League
Alan Brown Scottish Borders Regional League
Graham Kerr Caledonia Midlands Regional League
Mike Monro Caledonia North Regional League
Fergus Neil Scottish Rugby Referees Association
Bruce Thompson Schools Division
Dee Bradbury Women’s Rugby Forum
Rod Lynch Exile Clubs
John Jeffrey Co-opted member (IRB & Six Nations)
Ed Crozier Co-opted member (Celtic Rugby)
Archie Ferguson Co-opted member (FIRA-AER)

Scottish Rugby Board

Chairman
Sir Moir Lockhead

Executives
Mark Dodson (Chief Executive)
Andrew Healy (Finance Director)
Dominic McKay (Director of Commercial Operations, Communications & Public Affairs)

Independent Non-Executive Members
Colin Grassie
Ian McLauchlan
Lesley Thomson

Non-Executive Council Representatives
Ian Barr
Donald Macleod
Fergus Neil
Mike Monro

Secretary
Robert Howat
Scottish Rugby Council

Donald Macleod Elected as Vice President of the Union at the 2012 AGM, he was installed as President the following year. Donald was the Scotland Team Doctor between 1967 and 1995 and the Union’s Honorary Medical adviser from 1971 to 2003. In 1983 Donald, a retired Consultant General Surgeon, served as Doctor on the Lions tour.

Jim Stevenson Jim played rugby with Rutherglen, Cambuslang and Dalziel rugby clubs and represented both Glasgow and District Union and Lanarkshire during a career spanning over thirty years. A retired local government officer with Glasgow City Council, Jim served as chairman of the Hearts and Balls Charitable Trust.

Jim Littlefair An active referee for more than 20 years, John was President of Dumfries Saints 2009-2011 and served as Chair of the Premier 3 forum 2010-2011. John is currently Principal Teacher of Scottish Rugby’s annual rugby record. Outwith rugby, Bill is a former president of Giffnock Tennis Club and is an honorary member of Tennis Scotland, and for 20 years from 1977 he was a member of the Scottish Wildlife Trust Council, including service as a vice-chairman and an executive committee member.

Alan Brown Alan has played rugby for Galashiels Academy, Gala Red Triangle, Hawick High School, Hawick Trades, Gala ‘A’, Gala Star and Royal High. A chartered accountant by profession he has worked in the social housing sector for the past thirty-one years and is currently the Director of Finance and Corporate Services for the Eildon Housing Association Ltd.

Peter Laverie Peter, former head coach at Ayr and Cartha Queens Park, now forwards coach at Glasgow Hawks, is a lecturer in further education in Glasgow.

Doug Ward Doug, is a current member and past president of Biggar. He is currently chairman of Celtic Renewables Ltd. and a vice-president of the European Biodiesel Board and also sits on a number of advisory boards in Scotland. He was appointed CBE in 2006 for “Services to Agriculture in Scotland” and received an honorary doctorate in 2010 from Edinburgh Napier University.

Ian Rankin Ian started paying an interest in rugby during his school years and has been involved in the game ever since. A former captain of Edinburgh Wanderers and Howe of Fife, he also represented Caledonia North and Midlands over seven seasons. Success in the coaching of club sides Howe of Fife, Murrayfield Wanderers and Kirkcaldy earned Ian a professional contract, during which time he took charge of Caledonia Reds and Edinburgh Reivers, as well as assisting with Scotland A and under-20s before doing long-standing standing Director of Rugby duties at Dundee HSFP. Outwith rugby, Ian runs an arable farm in Fife. Ian was elected as Vice President at the 2013 AGM.

Dee Bradbury President of Oban Lorne, Dee is an employee of Police Scotland and has been since 1984. Formerly manager of the Scotland under-18 Women, Dee is an established athlete and has represented both Scotland and Great Britain in athletics as well as playing representative netball. In addition to her involvement with the Oban club, she is also secretary of Argyll and Bute.

Mike Monro Professionally, Mike works as a lawyer specialising in criminal court matters. Mike is a member of Aberdeen Wanderers and has also been a member of Aberdeenshire since 1971. At Aberdeenshire Mike served on the committee in many roles including secretary and president. He is a committee member of the Caley North Forum and Caley Championship Committee.

Mike Monro Professionally, Mike works as a lawyer specialising in criminal court matters. Mike is a member of Aberdeen Wanderers and has also been a member of Aberdeenshire since 1971. At Aberdeenshire Mike served on the committee in many roles including secretary and president. He is a committee member of the Caley North Forum and Caley Championship Committee.

Bruce Thompson Bruce, an Oxford graduate in Classics, is currently the Head Teacher of Strathallan School He is the Scottish representative on the Headmasters’ Conference Sports Committee, has extensive links in sports education and has organised a national conference on sport. He also chaired the HMC Committee which looked into Rugby safety issues liaising closely with the SRU.

Graham Kerr Graham has been a member of Alloa for many years, serving the club as a player, coach secretary and Vice President. As a rugby administrator Graham was employed as Caledonia Rugby Administration Executive between 1997 and 2006. Since 2006 he has served on the Caledonia Competitions Committee and is currently Caledonia Midlands Age Grade Convenor.

Fergus Neil A chartered accountant, Fergus started playing rugby at school and continued his playing career at Whitecraigs Rugby Club where he has been a member since 1965. A former referee, he is an IRB accredited performance reviewer and has served as such at the IRB under-21 World Championships.

Rod Lynch Perth-born Rod Lynch was elected as the first Scottish Exile Clubs Representative on Council prior to the 2012 AGM. Rod is a member of London Scottish and has served on the club committee since 2000.

Jim Littlefair Jim is currently Vice President of North Berwick and is also chairman of the Hearts and Balls Charitable Trust.

Bruce Thompson Bruce, an Oxford graduate in Classics, is currently the Head Teacher of Strathallan School He is the Scottish representative on the Headmasters’ Conference Sports Committee, has extensive links in sports education and has organised a national conference on sport. He also chaired the HMC Committee which looked into Rugby safety issues liaising closely with the SRU.

Rod Lynch Perth-born Rod Lynch was elected as the first Scottish Exile Clubs Representative on Council prior to the 2012 AGM. Rod is a member of London Scottish and has served on the club committee since 2000.
Governance of Scottish Rugby

Scottish Rugby Council 2013/14

At the AGM on 22 June 2013 Donald Macleod succeeded Alan Lawson as President and Ian Rankin was elected as Vice-President of the Union. Dee Bradbury, Peter Laverie and Doug Ward all joined the Council at that time, with Rod Lynch, Fergus Neil, Mike Monro and Bruce Thompson re-elected. George Clark, John Davidson and Kath Vass stepped down. John Jeffrey, Ed Crozier, Archie Ferguson and Bill Nolan, served as co-optees to the Council in a non-voting capacity during 2013/14, with Bill Nolan stepping down during the financial year.

The President, Donald Macleod, chaired the Council and the Vice-President, Ian Rankin, acted as the Vice-Chair. The Council met 11 times during the financial year, including formal quarterly reviews, a strategy session and a number of briefing meetings. The Council is responsible, among other things, for overseeing the management of the Union’s affairs and reviewing the operational management 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 level.

Scottish Rugby Board 2013/14

The Scottish Rugby Board is responsible for the ongoing management of Scottish Rugby, exercising its responsibilities under powers delegated to it under the Bye-Laws. The Scottish Rugby Board, which also serves as the Board of Scottish Rugby Union plc, comprises four independent non-executive Directors, four non-executive Directors nominated by the Scottish Rugby Council (one of the four being the President in his capacity as Chairman of the Council) and three executive Directors. Colin Grassie was nominated as the Senior Independent Director during the year.

Executive Directors serve under the terms of their employment or service contracts. The independent non-executive Directors are appointed for terms of 3 years and are normally expected to serve for two terms. Appointment is by the Board, on the recommendation of the Nomination Committee and subject to ratification by the Council.

The Council nominated non-executive Directors are appointed, or reappointed as the case may be, by the Council after the AGM. Their terms in office vary; under the current Bye-Laws the President, as Chairman of Council, serves for one year. Other Council nominated non-executive Directors may serve for up to 3 years at a time, subject to remaining a member of Council. Eligibility for re-election is also dependent on remaining a member of Council and the application of the Bye-Laws. On ceasing to be a member of Council, a Council nominated non-executive Director is also required to step down from the Board.

As at the financial year end, the Directors of the Boards of Scottish Rugby Union and Scottish Rugby Union plc were:

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Appointed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sir Moir Lockhead</td>
<td>Chairman</td>
<td>1 July 2011 and re-appointed with effect from 1 July 2014.</td>
</tr>
<tr>
<td>Iain Barr</td>
<td></td>
<td>22 June 2013</td>
</tr>
<tr>
<td>Mark Dodson</td>
<td></td>
<td>19 September 2011</td>
</tr>
<tr>
<td>Colin Grassie</td>
<td></td>
<td>1 July 2012</td>
</tr>
<tr>
<td>Andrew Healy</td>
<td></td>
<td>22 August 2013</td>
</tr>
<tr>
<td>Donald Macleod</td>
<td></td>
<td>22 June 2013</td>
</tr>
<tr>
<td>Ian McLauchlan</td>
<td></td>
<td>1 July 2012</td>
</tr>
<tr>
<td>Dominic McKay</td>
<td></td>
<td>1 October 2013</td>
</tr>
<tr>
<td>Mike Monro</td>
<td></td>
<td>Re-appointed 22 June 2013</td>
</tr>
<tr>
<td>Fergus Neil</td>
<td></td>
<td>Re-appointed 22 June 2013</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td></td>
<td>1 October 2013</td>
</tr>
</tbody>
</table>

John Davidson, Alan Lawson and Jock Millican retired as Directors at the conclusion of the AGM on 22 June 2013.

The Board met 11 times during the year, including two strategy sessions, one of which was a joint session with the Council. The Vice-President attends Board meetings by invitation as an observer but is not entitled to vote. The Board conducts an annual evaluation of its performance with the outcomes reported to the Board as a whole and procedures adjusted as appropriate following that appraisal.
Board Committees
During the period, the Board operated three committees to assist in its business. Membership of Board committees is restricted to non-executive Directors, and includes at least one Council nominated Board member on each Committee. Executive Directors and other members of staff and external advisers attend meetings regularly. Each committee has detailed terms of reference approved by the Board and Council.

The Chairman of each committee presents a report to the Board on the Committee’s work, at the next following Board meeting.

Audit Committee (Chair: Fergus Neil)
John Davidson*, Jock Millican*, Mike Monro, Fergus Neil and Lesley Thomson served on this Committee during the financial year, with Fergus Neil succeeding Jock Millican as Chairman. The Committee is responsible for assisting the Board to discharge its responsibilities for accounting policies, financial reporting, internal financial control and risk management. The Committee met 5 times during the financial year. Committee meetings are attended routinely by the Financial Director, the Financial Controller, the Company Secretary and representatives from the Union’s auditors.

Nomination Committee (Chair: Sir Moir Lockhead)
Ian Barr, John Davidson*, Alan Lawson*, Sir Moir Lockhead, Jock Millican*, Donald Macleod and Ian McLauchlan served on the Committee during the financial year. The Chief Executive and Company Secretary also attend. This Committee is responsible for making recommendations to the Board as to the composition, membership and organisation of the Board and Board Sub-Committees and the recruitment and appraisal of international body representatives. Advice is taken from external consultants as required. The Committee met 4 times in the period.

Remuneration Committee (Chair: Colin Grassie)
John Davidson*, Colin Grassie, Mike Monro, Ian McLauchlan and Lesley Thomson served on the Committee during the 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 appraisal of the performance of those individuals. Approval of the remuneration of senior coaches and higher-earning players also falls within the Committee’s remit.

The Committee met 3 times during the financial year. The Company Secretary attends all meetings, with the Chief Executive attending as required. Advice is taken from external consultants when needed.

(*) Retired 22 June 2013

Compliance with Governance Standards
All members of the Board and Council are required to comply with Scottish Rugby’s Code of Conduct. Under the Code of Conduct any alleged breach of the Code is subject to consideration by an independent panel.

Development of Corporate Governance
During the period a Review Panel was formed, under the Chairmanship of the Company Secretary, for the purpose of reviewing certain aspects of the existing Bye-Laws, Articles of Association and Election Rules. The Review Panel’s Report and recommendations were delivered to the Board and Council in May 2014 and were published in full on the Union’s website. Those recommendations form the basis for the resolutions to be proposed by the Board and Council at the 2014 AGM.

The Board and Council remain committed to the continuing development of our governance structures in order to meet the needs of the game. Following on from the Review Panel’s Report, further consultation will be conducted with stakeholders in relation to the roles and terms of office of the President and Vice-President and Council electoral constituencies.
Remuneration and Benefits of Non-Executive and Council Board Representatives

The Union offers its non-executive Board members, including Council representatives on the Board, a fee for their service on the Board. The annual rates of fee applied for the non-executive Board members serving at the financial year end are set out below. These amounts are pro-rated for part years. Board members are also entitled to be reimbursed for expenses incurred wholly, exclusively and necessarily on Scottish Rugby business. Due to the application of Scottish Government rules on other appointments Lesley Thomson waived any entitlement to fees.

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Director’s Fee</th>
<th>Representative Bodies’ Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sir Moir Lockhead</td>
<td>35,000</td>
<td>-</td>
<td>35,000</td>
</tr>
<tr>
<td>Ian Barr</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Colin Grassie</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Donald Macleod</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Ian McLauchlan</td>
<td>15,000</td>
<td>10,000 (ERC)</td>
<td>25,000</td>
</tr>
<tr>
<td>Mike Monro</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Fergus Neil</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
</tbody>
</table>

Council members serving as international representatives for Scottish Rugby Union are also entitled to be paid a fee for their services on these bodies. The annual rates of fee for those individuals in office at the financial year end are set out in the table below. Fees are subject to pro-rating for part years.

<table>
<thead>
<tr>
<th>Council Members</th>
<th>Position Held</th>
<th>Paid by</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Jeffrey</td>
<td>IRB / 6NC</td>
<td>IRB / 6NC</td>
<td>25,000</td>
</tr>
<tr>
<td>Archie Ferguson</td>
<td>FIRA-AER</td>
<td>SRU</td>
<td>7,000</td>
</tr>
<tr>
<td>Ed Crozier</td>
<td>CRL</td>
<td>SRU</td>
<td>7,000</td>
</tr>
</tbody>
</table>

Notes:
1. These rates were not changed in the financial period.
2. Members of the Scottish Rugby Council receive no remuneration in respect of this elected role.
3. The International Rugby Board (IRB), Six Nations Committee (6NC), European Rugby Cup Ltd (ERC) and Celtic Rugby Limited (CRL) have a policy of financially compensating the representatives serving on those bodies and the service fees paid to the Scottish Rugby representatives serving were as noted. Fees payable by those bodies to Mark Dodson, Colin Thomson and Dominic McKay were disclaimed by the individuals and were retained by Scottish Rugby.
4. Bill Nolan served on the FIRA/AER during the year and was succeeded by Dominic McKay, who also succeeded John Davidson as a director of Celtic Rugby Limited. Mark Dodson and Ian McLauchlan also serve as Scottish Rugby’s nominated board members of the newly formed European Professional Club Rugby.

Registered Office and Advisers

Registered Office
BT Murrayfield Stadium
Edinburgh
EH12 5PJ

Bankers
Bank of Scotland
Head Office
The Mound
Edinburgh
EH1 1YZ

Auditors
PricewaterhouseCoopers LLP
Level 4, Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Solicitors
Pinsent Masons
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9AQ
Financial Statements
Independent Auditors’ Report to the Members of the Scottish Rugby Union

Report on the Financial Statements

Our Opinion
In our opinion the financial statements, defined below:

• give a true and fair view of the state of the Union’s affairs as at 31 May 2014 and of the Union’s surplus and cash flows for the period then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
• have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited
The Union’s financial statements (the “financial statements”), which are prepared by the Scottish Rugby Union, comprise:

• the consolidated balance sheet as at 31 May 2014;
• the consolidated income and expenditure account for the period then ended;
• the consolidated cash flow statement for the period then ended;
• the accounting policies; and
• the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

• whether the accounting policies are appropriate to the Union’s circumstances and have been consistently applied and adequately disclosed;
• the reasonableness of significant accounting estimates made by the directors; and
• the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Financial Statements (the “Annual Report”) to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Directors’ Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

• we have not received all the information and explanations we require for our audit; or
• adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
• the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors’ remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors’ remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors’ responsibilities set out on pages 62 and 63, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company’s members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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 save where expressly agreed by our prior consent in writing.

Kenneth Wilson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
31 July 2014
Principal Accounting Policies

The financial statements have been prepared under the historical cost convention, and on a going concern basis in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of Consolidation

The consolidated financial statements cover the 13 month period to 31 May 2014 and include the Scottish Rugby Union, a mutual organisation, its subsidiary undertakings Scottish Rugby Union plc and The Murrayfield Experience Limited, and a related body, the Thistle Rugby Trust. The parent body, the Scottish Rugby Union, has not traded during either the current period or previous year and its only assets and liabilities are its investment in, and loans from, Scottish Rugby Union plc of £50,000.

Turnover

Turnover represents ticket sales, broadcasting revenue and all other income and is stated net of VAT. Revenue is recognised based on the relevant contractual terms or in accordance with the occurrence of the relevant event. Where consideration is received in kind, income and expenditure are grossed up on the basis of arms length commercial rates.

Tangible Fixed Assets

The cost of tangible fixed 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></th>
<th>%</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.

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.

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 year in which they become payable. The Union provides no other post retirement benefits to its employees.
**Finance and operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Leasing and hire purchase agreements which transfer substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitment is shown as an obligation under finance leases. The lease rentals are treated as consisting of capital and interest elements, with the capital element applied to reduce the outstanding obligation and the interest element charged against the surplus or deficit for the period on a straight line basis. Assets held under finance leases are depreciated over the shorter of the lease term and the useful lives of equivalent owned assets.

**Grants**

Revenue grants are 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 its own 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.

**Financial Instruments**

The Union uses interest rate swaps to reduce its exposure to interest rate movements. Receipts and payments on these interest rate swaps are recognised on an accruals basis over the life of the swap. The Union also uses forward sale currency contracts to reduce its exposure to exchange rate movements. The income relating to these sales is accounted for at the rate of exchange at which the related contract has been taken out. The Union does not hold or issue derivative financial instruments for speculative purposes.
<table>
<thead>
<tr>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticket income</td>
<td>8,225</td>
<td>9,400</td>
</tr>
<tr>
<td>Broadcasting revenues</td>
<td>12,065</td>
<td>12,568</td>
</tr>
<tr>
<td>Other operating income</td>
<td>23,440</td>
<td>17,307</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>43,730</strong></td>
<td><strong>39,275</strong></td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International and Professional Rugby</td>
<td>23,614</td>
<td>20,884</td>
</tr>
<tr>
<td>Community and Performance Rugby</td>
<td>4,969</td>
<td>4,701</td>
</tr>
<tr>
<td>Commercial and Operational</td>
<td>10,077</td>
<td>8,874</td>
</tr>
<tr>
<td>Club Support and Development</td>
<td>2,251</td>
<td>1,932</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,257</td>
<td>1,100</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>42,168</strong></td>
<td><strong>37,491</strong></td>
</tr>
<tr>
<td><strong>Operating Surplus</strong></td>
<td><strong>1,562</strong></td>
<td><strong>1,784</strong></td>
</tr>
<tr>
<td>Net Interest</td>
<td>3</td>
<td>(702)</td>
</tr>
<tr>
<td>Surplus on ordinary activities before taxation</td>
<td>1</td>
<td>860</td>
</tr>
<tr>
<td>Tax on surplus on ordinary activities</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus for the financial period</strong></td>
<td>15</td>
<td>860</td>
</tr>
</tbody>
</table>

The Union has no recognised gains or losses other than those included in the surplus above and therefore no separate statement of total recognised gains and losses has been presented. All activities are continuing.

There is no difference between the surplus on ordinary activities before taxation and the surplus for the periods stated above and their historical cost equivalents.

A commentary on the main items included in each of the above categories is appended to the financial statements after the Five Year Financial Summary.
## Consolidated Balance Sheet

<table>
<thead>
<tr>
<th>Notes</th>
<th>31 May 2014 £000</th>
<th>30 April 2013 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Fixed Assets</td>
<td>5</td>
<td>39,629</td>
</tr>
<tr>
<td>Investments</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>39,631</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>7</td>
<td>4,896</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>8</td>
<td>404</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td><strong>Net Current Liabilities</strong></td>
<td></td>
<td>(6,349)</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>10</td>
<td>(11,654)</td>
</tr>
<tr>
<td>Provisions for liabilities</td>
<td>11</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Total Assets less Current Liabilities and Provisions</strong></td>
<td></td>
<td>33,238</td>
</tr>
<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>12</td>
<td>8,451</td>
</tr>
<tr>
<td>Deferred income</td>
<td>13</td>
<td>2,207</td>
</tr>
<tr>
<td>Ten Year Debentures</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>Murrayfield Debentures</td>
<td>15</td>
<td>31,460</td>
</tr>
<tr>
<td>Irredeemable Debentures</td>
<td>16</td>
<td>97</td>
</tr>
<tr>
<td><strong>Irredeemable Debentures</strong></td>
<td></td>
<td>42,216</td>
</tr>
<tr>
<td>General Reserve</td>
<td>17</td>
<td>(8,978)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>33,238</td>
</tr>
</tbody>
</table>

The Financial Statements on pages 72 to 82 were approved by the Scottish Rugby Board and signed on its behalf on 31 July 2014 by:

Sir Moir Lockhead OBE, Chairman

Mark Dodson, Chief Executive
## Consolidated Cash Flow Statement

<table>
<thead>
<tr>
<th></th>
<th>Period ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 May</td>
<td>30 April</td>
</tr>
<tr>
<td>Notes</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Net cashflow from operating activities</strong></td>
<td>16</td>
<td>4,391</td>
</tr>
<tr>
<td><strong>Return on investments and servicing of finance</strong></td>
<td></td>
<td>3,257</td>
</tr>
<tr>
<td>Interest paid on bank overdrafts and loans</td>
<td>(409)</td>
<td>(853)</td>
</tr>
<tr>
<td><strong>Capital Expenditure and Financial Investment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to acquire Tangible Fixed Assets</td>
<td>(598)</td>
<td>(518)</td>
</tr>
<tr>
<td><strong>Financing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issue of Debentures</td>
<td>-</td>
<td>295</td>
</tr>
<tr>
<td>Repayment of bank loan</td>
<td>(1,250)</td>
<td>(500)</td>
</tr>
<tr>
<td>Finance lease</td>
<td>(5)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Increase in cash</strong></td>
<td>2,129</td>
<td>1,681</td>
</tr>
</tbody>
</table>

|                                    | Period ended | Year ended |
|                                    | 31 May       | 30 April   |
| Notes                              | £000         | £000       |
| **Reconciliation of net cash flow to movement in net debt** |               |            |
| Increase in cash in period         | 2,129        | 1,681      |
| Amortisation of Murrayfield Debentures | (89)        | (82)       |
| Repayment of bank loan            | 1,250        | 500        |
| Finance lease                      | 5            | -          |
| Change in net debt                 | 3,295        | 2,099      |
| Opening net debt                   | (42,706)     | (44,085)   |
| Closing net debt                   | (39,411)     | (42,706)   |
Notes to the Financial Statements

1. Surplus on ordinary activities before taxation

The surplus on ordinary activities before taxation is stated after crediting:

- Amortisation of deferred income
- Barter transaction sponsorship income

And after charging:

- Auditors remuneration
- Auditors fees for non-audit services
  - Tax compliance
  - Tax advisory
  - Other
- Depreciation charge for the period
  - Owned fixed assets
  - Operating lease rentals
    - Plant & machinery
    - Other
- Barter transaction sponsorship costs
- Administrative and management expenses

<table>
<thead>
<tr>
<th></th>
<th>Period ended 31 May 2014</th>
<th>Year ended 30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortisation of deferred income</td>
<td>£148</td>
<td>£135</td>
</tr>
<tr>
<td>Barter transaction sponsorship income</td>
<td>£710</td>
<td>£230</td>
</tr>
<tr>
<td>Auditors remuneration</td>
<td>£25</td>
<td>£25</td>
</tr>
<tr>
<td>Auditors fees for non-audit services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax compliance</td>
<td>£7</td>
<td>£7</td>
</tr>
<tr>
<td>Tax advisory</td>
<td>£9</td>
<td>£9</td>
</tr>
<tr>
<td>Other</td>
<td>£2</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation charge for the period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owned fixed assets</td>
<td>£1,257</td>
<td>£1,100</td>
</tr>
<tr>
<td>Operating lease rentals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; machinery</td>
<td>£10</td>
<td>£10</td>
</tr>
<tr>
<td>Other</td>
<td>£265</td>
<td>£235</td>
</tr>
<tr>
<td>Barter transaction sponsorship costs</td>
<td>£710</td>
<td>£230</td>
</tr>
<tr>
<td>Administrative and management expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£2,646</td>
<td>£2,107</td>
</tr>
</tbody>
</table>

2. Staff Costs

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

<table>
<thead>
<tr>
<th></th>
<th>Period ended 31 May 2014</th>
<th>Year ended 30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rugby</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Players</td>
<td>100</td>
<td>89</td>
</tr>
<tr>
<td>Professional Teams - Coaching &amp; Operations</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>National Team - Coaching &amp; Operations</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Elite Development Players &amp; Coaches</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Community &amp; Performance</td>
<td>61</td>
<td>64</td>
</tr>
<tr>
<td>Strength &amp; Conditioning</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Medical &amp; Physiotherapy</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>241</td>
<td>233</td>
</tr>
<tr>
<td>Stadium Operations</td>
<td>34</td>
<td>32</td>
</tr>
<tr>
<td>Commercial, marketing &amp; other corporate functions</td>
<td>42</td>
<td>38</td>
</tr>
<tr>
<td>TOTAL</td>
<td>317</td>
<td>303</td>
</tr>
</tbody>
</table>

Within the above figures: Community & Performance includes Refereeing Staff, Regional Development Managers, General Rugby Support, Regional Academy Coaches, Performance Development, Coach Development and Age Grade & Other Coaches. Stadium Operations includes staff involved in Event Management, Ticketing and Stadium & Pitch Maintenance. Commercial, marketing & other corporate functions includes Commercial & Marketing, HR & Communications, Finance & IT, Governance and Business Services.
Notes to the Financial Statements

2. Staff Costs (cont)

<table>
<thead>
<tr>
<th></th>
<th>Period ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 May 2014</td>
<td>30 April 2013</td>
</tr>
<tr>
<td></td>
<td>Total £000</td>
<td>Total £000</td>
</tr>
<tr>
<td>Employment costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>19,868</td>
<td>18,433</td>
</tr>
<tr>
<td>Social security costs</td>
<td>2,131</td>
<td>2,043</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>488</td>
<td>372</td>
</tr>
<tr>
<td></td>
<td><strong>22,487</strong></td>
<td><strong>20,848</strong></td>
</tr>
</tbody>
</table>

At the period end the pension accrual was £105k (2013 - £141k).

3. Net Interest

<table>
<thead>
<tr>
<th></th>
<th>Period ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 May 2014</td>
<td>30 April 2013</td>
</tr>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Interest payable on bank borrowings</td>
<td>(613)</td>
<td>(844)</td>
</tr>
<tr>
<td>Amortisation of Debenture issue costs</td>
<td>(89)</td>
<td>(82)</td>
</tr>
<tr>
<td></td>
<td><strong>(702)</strong></td>
<td><strong>(926)</strong></td>
</tr>
</tbody>
</table>

The rates of interest on the Union’s term loan borrowings are included in Note 8.

4. Taxation on surplus on ordinary activities

<table>
<thead>
<tr>
<th></th>
<th>Period ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 May 2014</td>
<td>30 April 2013</td>
</tr>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Current Tax:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>On profits arising from non-mutual trading</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of timing differences</td>
<td>533</td>
<td>349</td>
</tr>
<tr>
<td>Movement in deferred tax unprovided</td>
<td>(533)</td>
<td>(349)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factors affecting the current tax charge for the year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus on ordinary activities before tax</td>
<td>860</td>
<td>858</td>
</tr>
<tr>
<td>Corporation Tax at 20% (2013 - 20%)</td>
<td>172</td>
<td>172</td>
</tr>
<tr>
<td>Effects of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net expenses not deductible for tax purposes</td>
<td>167</td>
<td>158</td>
</tr>
<tr>
<td>Crystallisation of tax losses</td>
<td>(316)</td>
<td>(281)</td>
</tr>
<tr>
<td>Non-taxable mutual profits</td>
<td>(134)</td>
<td>(150)</td>
</tr>
<tr>
<td>Depreciation in excess of capital allowances</td>
<td>105</td>
<td>92</td>
</tr>
<tr>
<td>Movement in other timing differences</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Union has gross taxable profits arising in the period of £nil (2013 - £nil).
5. Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>Heritable Property</th>
<th>Fixtures &amp; fittings</th>
<th>Other Equipment</th>
<th>Assets Under Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 May 2013</td>
<td>46,178</td>
<td>14,556</td>
<td>3,591</td>
<td>-</td>
<td>64,325</td>
</tr>
<tr>
<td>Additions</td>
<td>297</td>
<td>48</td>
<td>297</td>
<td>916</td>
<td>1,558</td>
</tr>
<tr>
<td>Disposals</td>
<td>(347)</td>
<td>(433)</td>
<td></td>
<td>-</td>
<td>(780)</td>
</tr>
<tr>
<td><strong>As at 31 May 2014</strong></td>
<td>46,128</td>
<td>14,171</td>
<td>3,888</td>
<td>916</td>
<td>65,103</td>
</tr>
<tr>
<td><strong>Accumulated Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 May 2013</td>
<td>9,958</td>
<td>12,180</td>
<td>2,859</td>
<td>-</td>
<td>24,997</td>
</tr>
<tr>
<td>Charge for period</td>
<td>630</td>
<td>443</td>
<td>184</td>
<td>-</td>
<td>1,257</td>
</tr>
<tr>
<td>Disposals</td>
<td>(347)</td>
<td>(433)</td>
<td></td>
<td>-</td>
<td>(780)</td>
</tr>
<tr>
<td><strong>As at 31 May 2014</strong></td>
<td>10,241</td>
<td>12,190</td>
<td>3,043</td>
<td>-</td>
<td>25,474</td>
</tr>
<tr>
<td><strong>Net Book Value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 31 May 2014</td>
<td>35,887</td>
<td>1,981</td>
<td>845</td>
<td>916</td>
<td>39,629</td>
</tr>
<tr>
<td>As at 30 April 2013</td>
<td>36,220</td>
<td>2,376</td>
<td>732</td>
<td>-</td>
<td>39,328</td>
</tr>
</tbody>
</table>

6. Investments

The Union is the beneficial owner of 1,667 €1.27 ordinary shares in European Rugby Cup Limited (ERC), a company incorporated in the Irish Republic. The Union’s holding represents 16.67% of the company’s issued share capital.

The Union holds one €1.25 ordinary share in British Lions Limited, a company incorporated in the Irish Republic. The Union’s investment represents a 25% holding in the issued share capital of the company.

The Union is the beneficial owner of 100 €1.00 ordinary shares in Celtic Rugby Limited, a company incorporated in the Irish Republic. The Union’s holding represents 33% of the company’s issued share capital.

Given the disposition of the other shareholdings in these companies, and the immateriality of their net surpluses and net assets after receipt of dividends by the Union, the Directors do not believe that these investments fall to be treated as associate companies. Fixed asset investments are stated at the lower of cost and valuation.

7. Debtors

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>3,818</td>
<td>4,650</td>
</tr>
<tr>
<td>Prepayments</td>
<td>890</td>
<td>406</td>
</tr>
<tr>
<td>Other debtors</td>
<td>188</td>
<td>203</td>
</tr>
<tr>
<td><strong>Amounts falling due within one year</strong></td>
<td><strong>4,896</strong></td>
<td><strong>5,259</strong></td>
</tr>
</tbody>
</table>

The Union has entered into a number of forward sale currency contracts to reduce its exposure to exchange rate movements affecting the income it receives in Euro, from ERC, Celtic League and 6 Nations. At 31 May 2014, the contracts held were for a total of €1.3m, with a settlement date of 30 June 2014, at an average rate of £0.86:€1. The notional market value of these contracts at 30 April 2013 was £61k. At 30 April 2013, contracts for a total of €8.9m were held, with settlement dates between 14 May 2013 and 30 June 2014 at an average rate of £0.87:€1. The notional market value of these at 30 April 2013 was £195k.
Notes to the Financial Statements

8. Creditors

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amounts falling due within one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Obligations under finance leases</td>
<td>3,918</td>
<td>2,044</td>
</tr>
<tr>
<td>Advance receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>2,251</td>
<td>1,247</td>
</tr>
<tr>
<td>Other tax and social security</td>
<td>1,111</td>
<td>1,402</td>
</tr>
<tr>
<td>Accruals</td>
<td>4,369</td>
<td>4,388</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,654</td>
<td>10,828</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amounts falling due after more than one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>8,250</td>
<td>9,500</td>
</tr>
<tr>
<td>Obligations under finance leases</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Other creditors</td>
<td>194</td>
<td>243</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,451</td>
<td>9,743</td>
</tr>
</tbody>
</table>

**Finance lease obligations to which the Union is committed are due:**

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>In one year or less</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Between one and two years</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Between two and five years</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12</td>
<td>-</td>
</tr>
</tbody>
</table>

In Amounts falling due after more than one year, bank loans of £8.25m (2013 - £9.5m) are repayable in full on 30 June 2015, with an option to extend the loan by a further 2 years. Security has been granted to the Union’s bankers by way of a Bond and Floating charge over the assets of Scottish Rugby Union plc. The Union has entered into an interest rate swap with the Bank of Scotland, in relation to the £8.25m (2013 - £9.5m) loan. This has fixed the interest rate on these borrowings, to 30 June 2015, at 4.295%. The interest rate swap arrangement has a notional market value, being the net present value of future cash flows due under the swap compared to current interest rates. The market value of the interest rate swap on 31 May 2014 was (£43k). The market value of the interest rate swaps in place on 30 April 2013 relating to the £9.5m term loan was (£116k).

9. Provisions for liabilities

<table>
<thead>
<tr>
<th></th>
<th>Deferred Tax</th>
<th>Tenant Club Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening</strong></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Transfer during period</td>
<td>-</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td><strong>Closing</strong></td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

**Deferred taxation comprises:**

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accelerated capital allowances</td>
<td>1,704</td>
<td>2,040</td>
</tr>
<tr>
<td>Other timing differences</td>
<td>418</td>
<td>491</td>
</tr>
<tr>
<td>Trading losses carried forward</td>
<td>(3,470)</td>
<td>(4,412)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,348</td>
<td>1,881</td>
</tr>
</tbody>
</table>

Following due consideration of future anticipated taxable profits, the residual deferred tax assets on trading losses carried forward has not been recognised on the basis that it will take some time for them to be fully recovered. The deferred tax asset will be fully recoverable should there be appropriate future taxable profits.
Notes to the Financial Statements

10. Deferred income

<table>
<thead>
<tr>
<th>Heritable Property</th>
<th>Debenture Premium</th>
<th>31 May 2014 £000</th>
<th>30 April 2013 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening</td>
<td></td>
<td>1,632</td>
<td>2,195</td>
</tr>
<tr>
<td>Issue of Debentures</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation</td>
<td></td>
<td>(34)</td>
<td>(135)</td>
</tr>
<tr>
<td>Closing</td>
<td></td>
<td>1,598</td>
<td>2,355</td>
</tr>
</tbody>
</table>

11. Ten Year Debentures

<table>
<thead>
<tr>
<th>Debenture Issue</th>
<th>Class of Debenture</th>
<th>Value Each</th>
<th>Max. No. Authorised</th>
<th>31 May 2014 No. issued</th>
<th>30 April 2013 No. issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 Debentures</td>
<td>J</td>
<td>£1</td>
<td>500</td>
<td>90</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>K</td>
<td>£1</td>
<td>1,000</td>
<td>429</td>
<td>429</td>
</tr>
<tr>
<td></td>
<td>L</td>
<td>£1</td>
<td>200</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>2012 Debentures</td>
<td>N</td>
<td>£1</td>
<td>1,000</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>O</td>
<td>£1</td>
<td>1,000</td>
<td>180</td>
<td>180</td>
</tr>
</tbody>
</table>

Debentures issued: 791

The 2009 Debentures are unsecured, interest free and repayable at par on 31 May 2019. The 2012 Debentures are unsecured, interest free and repayable at par on 31 May 2022. Holders of the 2009 and 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.

12. Murrayfield Debentures

<table>
<thead>
<tr>
<th>Class of Debenture</th>
<th>Value Each</th>
<th>No. Authorised</th>
<th>31 May 2014 No. Issued</th>
<th>30 April 2013 No. Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>£1,200</td>
<td>9,100</td>
<td>9,092</td>
<td>9,092</td>
</tr>
<tr>
<td>B</td>
<td>£2,200</td>
<td>7,900</td>
<td>7,900</td>
<td>7,900</td>
</tr>
<tr>
<td>C</td>
<td>£3,500</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Thistle</td>
<td>£9,900</td>
<td>500</td>
<td>188</td>
<td>188</td>
</tr>
</tbody>
</table>

Debentures issued: 18,180

Issue Costs:

Opening: 2,280
Amortisation: (89)
Closing: 2,191

Net Issue Proceeds less amortisation: 31,460

The Murrayfield Debentures are unsecured, rank pari passu and are interest free. Repayment, at par, is at the discretion of the Union on or after 1 January 2043 in respect of the A and C Debentures and 1 January 2044 with regard to the B and Thistle Debentures. Murrayfield Debenture 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 the right to purchase certain matchday hospitality packages.
Notes to the Financial Statements

14. Leases
Non-cancellable commitments under leases to pay rentals in the year following the year of these financial statements are noted below, analysed to the year in which each lease expires.

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; Buildings - Expiring within 2 to 5 years</td>
<td>£305</td>
<td>£275</td>
</tr>
<tr>
<td>Plant &amp; Machinery - Expiring within 2 to 5 years</td>
<td>£10</td>
<td>£10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£315</td>
<td>£285</td>
</tr>
</tbody>
</table>

15. General Reserve

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening</td>
<td>(9,838)</td>
<td>(10,696)</td>
</tr>
<tr>
<td>Surplus for the period</td>
<td>860</td>
<td>858</td>
</tr>
<tr>
<td><strong>Closing</strong></td>
<td>(8,978)</td>
<td>(9,838)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Period ended 31 May 2014</th>
<th>Year ended 30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus</td>
<td>£1,562</td>
<td>£1,784</td>
</tr>
<tr>
<td>Depreciation charge</td>
<td>1,257</td>
<td>1,100</td>
</tr>
<tr>
<td>Amortisation of deferred income</td>
<td>(148)</td>
<td>(135)</td>
</tr>
<tr>
<td>Tenant club residual fund</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Movement in debtors</td>
<td>363</td>
<td>882</td>
</tr>
<tr>
<td>Movement in creditors</td>
<td>1,355</td>
<td>(376)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,391</td>
<td>3,257</td>
</tr>
</tbody>
</table>

17. Analysis of changes in net debt

<table>
<thead>
<tr>
<th></th>
<th>30 April 2013</th>
<th>Cash Flows</th>
<th>Other Changes</th>
<th>31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>£10</td>
<td>(5)</td>
<td>-</td>
<td>£5</td>
</tr>
<tr>
<td>Bank</td>
<td>(1,747)</td>
<td>2151</td>
<td>-</td>
<td>404</td>
</tr>
<tr>
<td>Bank loans</td>
<td>(9,500)</td>
<td>1,250</td>
<td>-</td>
<td>(8,250)</td>
</tr>
<tr>
<td>Finance Leases due within one year</td>
<td>-</td>
<td>(5)</td>
<td>-</td>
<td>(5)</td>
</tr>
<tr>
<td>Finance Leases due after one year</td>
<td>-</td>
<td>(7)</td>
<td>-</td>
<td>(7)</td>
</tr>
<tr>
<td>Irredeemable Debentures</td>
<td>(97)</td>
<td>-</td>
<td>-</td>
<td>(97)</td>
</tr>
<tr>
<td>Murrayfield Debentures</td>
<td>(31,371)</td>
<td>-</td>
<td>(89)</td>
<td>(31,460)</td>
</tr>
<tr>
<td>Ten Year Debentures</td>
<td>(1)</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(42,706)</td>
<td>3,384</td>
<td>(89)</td>
<td>(39,411)</td>
</tr>
</tbody>
</table>

18. SRU Group
The Scottish Rugby Union carries out all of its operations through its wholly owned subsidiary, Scottish Rugby Union plc, the registered office of which is BT Murrayfield Stadium, Edinburgh, EH12 5PJ. For accounting purposes the group is also deemed to include the Thistle Rugby Trust. The group has taken advantage of the exemption conferred by FRS8 from the need to disclose transactions between group entities that have been eliminated on consolidation in these group financial statements.
## Five Year Financial Summary

<table>
<thead>
<tr>
<th>Year</th>
<th>Income £000</th>
<th>Expenditure £000</th>
<th>Surplus before exceptional items £000</th>
<th>Exceptional Credit £000</th>
<th>Operating Surplus £000</th>
<th>Surplus on sale of Fixed Asset £000</th>
<th>Surplus on ordinary activities before interest £000</th>
<th>Net interest £000</th>
<th>Surplus before taxation £000</th>
<th>Taxation £000</th>
<th>Surplus for year £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>43,730</td>
<td>23,614</td>
<td>1,562</td>
<td></td>
<td>1,562</td>
<td></td>
<td>1,562</td>
<td>(702)</td>
<td>860</td>
<td>-</td>
<td>860</td>
</tr>
<tr>
<td>2013</td>
<td>39,275</td>
<td>20,884</td>
<td>1,784</td>
<td>-</td>
<td>1,784</td>
<td>121</td>
<td>2,378</td>
<td>(926)</td>
<td>858</td>
<td>-</td>
<td>858</td>
</tr>
<tr>
<td>2012</td>
<td>38,226</td>
<td>19,116</td>
<td>2,378</td>
<td>-</td>
<td>2,378</td>
<td>121</td>
<td>2,499</td>
<td>(919)</td>
<td>1,580</td>
<td>(10)</td>
<td>1,570</td>
</tr>
<tr>
<td>2011</td>
<td>35,086</td>
<td>16,691</td>
<td>2,211</td>
<td>-</td>
<td>2,211</td>
<td>-</td>
<td>2,211</td>
<td>(923)</td>
<td>1,288</td>
<td>-</td>
<td>1,288</td>
</tr>
<tr>
<td>2010</td>
<td>33,556</td>
<td>16,128</td>
<td>1,517</td>
<td>809</td>
<td>2,326</td>
<td>-</td>
<td>2,326</td>
<td>(957)</td>
<td>1,369</td>
<td>-</td>
<td>1,369</td>
</tr>
</tbody>
</table>

**Note (1)**

- 2014 represents a 13 month period ended 31 May 2014. Other columns represent one year, ended 30 April.
Commentary on the Accounts

This section provides a general commentary on the income and expenditure categories for the period ended 31 May 2014.

Turnover
Scottish Rugby’s turnover comes from a number of areas. National team match ticket sales, including the RBS 6 Nations and the Viagogo Autumn Tests, pro-club match ticket sales and tickets for the Emirates Airline Glasgow 7s, together with related broadcasting revenue 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, the Royal Bank of Scotland and Macron, and for significant grant funding from the International Rugby Board, sportscotland and the Cashback for Communities programme. Turnover also includes income from the European Rugby and the Pro12 League, and from other events held in BT Murrayfield Stadium including 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 Pro-club costs, being players’, coaches’ and support staff salaries together with kit, travel and other coaching costs, and match day outgoings 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 for strapping and treating injuries is included in this category as is the investment in the strength and conditioning personnel who work with the National and Professional teams together with the associated programme costs.

Community 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 domestic rugby team, which is supported by sportscotland, together with associated programme costs, including travel, training and event costs are included in this category. Cashback for Communities funding also supports two Partnership Projects Development Officers and a Co-ordinator.

The Regional Academy costs in 13/14, part funded by sportscotland and the IRB, are also included here.
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.

In the area of coaching, Scottish Rugby staff deliver United Kingdom Coaching Certificate (UKCC) courses throughout Scotland to ensure that coaches are properly qualified to coach at all levels. Scottish Rugby is grateful for the support of sportscotland who fund the posts of Coaching Manager and Administrator, as well as supporting the costs of course delivery. Also included are the costs of the Coach Development Officers, and training and facility costs, as well as tutor and registration fees. Scottish Rugby assists in the delivery of the Positive Coaching Scotland programme and the costs associated with this are included here, as are the programme and administration costs of the Are You Ready to Play Rugby safety initiative.

Also included in this area is an Exiles Performance Development Manager and Coach, together with Elite Development Coaches in Glasgow and Edinburgh. The elite development programme, aligned with the Pro Teams, incurs costs from coaching to kit to player salaries and insurance as it strives to improve performance in the age-grade teams and to produce players for the professional teams. Specialist coaching costs are included here, as are analysis and other rugby operational support costs.

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

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, from security to public liability insurance, and from rates to 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 public affairs team and related activity across the wide spectra 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 maintaining and growing the game. Clubs are supported through the payment of Participation Monies, Player Accident Insurance, contributions to cup and league travel costs, the club facilities fund to help with grounds and clubhouse improvements and the payment of all referees’ travel costs across the country. Ticket commissions which clubs receive for sales of international and sevens tickets are included here as are player reward scheme payments, where clubs’ contributions to the development of players who have gone on to win elite development or professional contracts are acknowledged. The joint funding of Club Development Officers in partnerships with both clubs and local authorities across the country is also part of club support and development expenditure.

Depreciation

Depreciation is the annual charge in respect of Scottish Rugby’s fixed assets, primarily the redevelopment costs of BT Murrayfield Stadium.
Thank you to Scottish Rugby’s Partners

Principal Partners

- RBS
- macron
- BT

Official Partners

- BBC Sport
- Barr
- Guinness
- Ginger Grouse
- BT Sport
- Viagogo
- G4S
- Spire Healthcare
- Dove Men+Care
- Brewin Dolphin

Official Suppliers

-Peter Vardy
- Emirates
-Gilbert
-Lucozade Sport
-Scotia
Front cover
Mark Bennett scores a try at the Glasgow 2014 Commonwealth Games Rugby Sevens at Ibrox Stadium

Back cover
Thanks to all those involved in the launch of the BT sponsorship unveil at BT Murrayfield:


Photography
PA Images, SNS, Isobel Irvine

Produced by Scottish Rugby
Commercial Operations, Communications & Public Affairs Team

Editor
Isobel Irvine

Designer
Laura Chessar

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Scottish Rugby
BT Murrayfield, Edinburgh EH12 5PJ
Tel: 0131 346 5000
scottishrugby.org | @scotlandteam
Inspiring Scotland Through Rugby