Contents

2 President’s Welcome
4 Chairman’s Review
6 Chief Executive’s Report
8 BT Sport Scottish Rugby Academy
12 Scotland
14 Scotland 7s
15 Scotland Age Grades
16 Glasgow Warriors
18 Edinburgh Rugby
20 Women & Girls
22 Referees
24 Coaching Pathways
26 Clubs
28 Schools & Youth
30 Commercial Report
32 Corporate Social Responsibility
33 Working with Government
34 Social Media
36 Health & Safety
37 Clubs & School Results
38 Strategic Report
40 Governance
46 Board Report

Financial Statements

48 Independent Auditors’ Report
51 Income & Expenditure Account
52 Balance Sheet
53 Cash Flow
54 Notes
61 Five Year Summary
62 Commentary on the Accounts
This season has been particularly exciting as the quality of domestic rugby has continued to rise. While players have put in hundreds of hours of training and, in some cases, thousands of miles of travel, supporters have stood on the sidelines in rain, hail and shine to watch exciting showdowns as teams battled for coveted silverware in their respective leagues. These matches simply wouldn’t go ahead if it wasn’t for volunteers who give up their time to coach, referee, serve on committees and roll up their sleeves to ensure clubs survive and thrive.

A fantastic example of this are the Spirit of Rugby award winners, Jim ‘Basher’ Inglis – a former Scotland international – and his wife Mary, who have served Selkirk Rugby Club for more than 70 years. The Club Awards Dinner was also a special affair for Livingston Rugby Club’s Lee Anne Steel, who was named BT Volunteer of the Season for her tireless work to ensure the growth of rugby, particularly at youth level in her region.

Boroughmuir lifted the BT Cup with a powerful performance to overcome Hawick. St Boswells completed a league and cup double by winning the BT Shield and Alloa were crowned BT Bowl champions with an eleven try victory over Cumnock.

In the women’s finals, Watsonians won the BT Women’s Bowl, Stewartry claimed the BT Women’s Plate with Hannah Sloan, who made her Scotland Women debut this season, crossing the whitewash three times. Murrayfield Wanderers won the Sarah Beaney Cup to add to their BT Women’s Premier League title, before winning the BT Women’s Club of the Season award.

Well done to Heriot’s on winning the BT Premiership and to their coach Phil Smith for being named Caledonia Best Coach of the Season. The club also celebrated their 125th anniversary in style with a game against the Barbarians who also celebrated 125 years.

It has been a huge privilege to serve as President during a time of expansion, particularly in grassroots rugby where more money than ever is being invested. Making the game sustainable and growing it from the ground up wouldn’t be possible without our sponsors, and in particular BT.

I would like to thank everyone who plays their part in the success of Scottish Rugby and for your support throughout this memorable club season.

RWC Trophy Tour
The Webb Ellis Cup was taken on a whistle-stop tour around Scotland in June, as part of its global journey to Twickenham for the opening RWC 2015 match. Rugby clubs across the country hosted the trophy and events to inspire people of all ages to get involved and support Scotland.

Club Highlights

| Day 1 | Jedburgh |
| Day 2 | North Berwick, Raeburn Place, BT Murrayfield |
| Day 3 | Howe of Fife, Aberdeen Wanderers, Banff, Deeside, Huntly & Mackie Academy Orkney RFC |
| Day 4 | Highland RFC |
| Day 5 | Scotstoun Stadium, Ayr RFC |

- McLaren Rugby Club returned to their home in Callander after three years away, following £45,000 of CashBack for Communities funding to develop their facilities.
- Currie were the Scottish Rugby Under-18 League and Under-16 League champions.
- Scotty’s for Communities played host to the Royal Bank of Scotland RugbyForce weekend which helped 150 clubs to kick off the season.
- McLaren Rugby Club thanked their fans for their support throughout this memorable club season.
Sir Moir Lockhead OBE

Chairman’s Review

Scottish Rugby continues to expand all areas of the game to ensure it is sustainable at every level. At the same time, we have reduced our debt burden.

Our average debt fell to below £10 million for the first time in over a decade and our investment into the domestic game continued to rise. Turnover was over £500,000 higher compared to the previous season. Additional sponsorship income from BT and higher RBS 6 Nations ticket revenues contributed to the increase.

While our professional teams have made great strides on the field, the impact of last year’s BT sponsorship agreement has started to benefit clubs, schools and communities directly.

At the heart of our investment from the ground up is the BT Sport Scottish Rugby Academy, and much work has gone into getting all four centres up and running for the first intake of 87 young players. The Academy gives us a real opportunity to drive players and coaches through a system that will consistently benefit schools, clubs and, ultimately, Scotland’s professional and national teams. We are grateful to BT and our other local partners for their help in bringing these plans to fruition.

This holistic structure will not only expand our depth of homegrown talent, it will also provide another pathway for Scottish coaches to rise up the ranks.

We are also entering a new era for Women and Girls’ Rugby. We are in the final stages of realising our ambitious national strategy and Shade Munro has joined Scotland Women as Head Coach from his post at Glasgow Warriors. This sends a clear message that Scottish Rugby is committed to growing player numbers and closing the gap with other nations on the international stage.

The Schools and Youth structure has been revised this year with extensive consultation on the proposed format. The aim is to ensure more players get onto the field and graduate through the age grades and adult game with improved skills.

This year has seen a dramatic rise in the number of qualified coaches, with over 950 coaches achieving a qualification and over 4,500 attending workshops and conferences thanks to Scottish Rugby.

Player safety remains the highest priority and I would like to commend Dr James Robson for his contribution to the “If in doubt, sit them out” guidelines on managing concussion in Scottish sport. We also introduced the World Rugby First Aid in Rugby Level 1 Course this season and continued to deliver our RugbyReady course to thousands of teachers, coaches, referees and volunteers.

The organisation suffered a serious blow when World Rugby removed the Emirates Airline Glasgow 7s from the Sevens World Series. After nine years of hard work and investment by Glasgow City Council, the Scottish Government and Scottish Rugby, the decision lacked any logic and was extremely frustrating to all involved.

Despite this, we had a very successful year as we continue to inspire Scotland through rugby and ensure our young people enjoy the game.

Finally, I would like to thank the players, coaches, volunteers and Scottish Rugby staff for their hard work this season.
Chief Executive's Report

It has been a positive year for Scottish Rugby with our two professional teams making history at the business end of the season.

After 20 home-game wins on the trot, Glasgow Warriors lifted the Guinness PRO12 trophy, it was a breakthrough moment for the club and I am absolutely delighted for Head Coach Gregor Townsend and the team - they truly deserved the win.

Edinburgh Rugby also entered the record books when they became the first Scottish side to reach a European cup final. They played a consistently high standard of rugby under pressure during the Challenge Cup and the foundations are now in place for them to go one better next season, under Head Coach Alan Solomons.

This success is just the start of our journey: we have to build on the gains. But most of all we now have proof that players and coaches can stay in Scotland and win silverware. We know we still have much to do and achieve, but are looking forward positively to more competitive and entertaining rugby.

There is no doubt the Scotland team has improved, particularly during the Autumn tests, but sadly this wasn’t reflected in the final scores during the RBS 6 Nations. We have work to do ahead of the 2015 Rugby World Cup.

BT Murrayfield has welcomed capacity crowds this season following sell-out matches against Ireland and Wales, which contributed to the highest ever ticket sales in the tournament’s history in Scotland.

Selkirk RFC

The changing rooms at Selkirk Rugby Club will get a complete overhaul for the first time in 80 years thanks to Scottish Rugby’s Club Sustainability Fund.

The club, which won promotion into the BT Premiership this season, secured £37,500 towards upgrading their facilities to accommodate the growing number of teams at the club. Sportscotland awarded a further £37,500 taking the total amount to £75,000.

“This will make a huge difference. For us to raise that kind of money would take four to five years.

“We are a community club, we rely on bringing our young players through. Now we can give the players good changing rooms and it just finishes off the ground.”

John Rutherford, President, Selkirk RFC

Club Sustainability Fund

While there have been some great moments on the pitch, there has also been a lot of hard work in the background to make the game sustainable from the grassroots up.

The health of rugby at all levels is paramount to the growth and success of the sport, which is why we are investing heavily in the domestic game.

Nothing has given me more pleasure this year than rolling out our £1.6 million Club Sustainability Fund, made possible through our partnership with BT.

Fourteen clubs benefitted from the first round of funding and I am delighted this investment, across a range of major projects, will improve facilities for club members, local communities and independently generate more business to reinvest in the game.

This success is just the start of our journey; we have to build on the gains. But most of all we now have proof that players and coaches can stay in Scotland and win silverware. We know we still have much to do and achieve, but are looking forward positively to more competitive and entertaining rugby.

There is no doubt the Scotland team has improved, particularly during the Autumn tests, but sadly this wasn’t reflected in the final scores during the RBS 6 Nations. We have work to do ahead of the 2015 Rugby World Cup.

BT Murrayfield has welcomed capacity crowds this season following sell-out matches against Ireland and Wales, which contributed to the highest ever ticket sales in the tournament’s history in Scotland.
BT Sport Scottish Rugby

Academy

The national launch of the BT Sport Scottish Rugby Academy in June marked a new beginning to raise the standard and flow of young talent into the top echelons of the game.

While work was on-going to secure facilities, staff and players for the new Academy structure, the existing performance development programme continued. On top of playing for their club and school teams, 52 players were also exposed to the professional stage, including the Under-20 Six Nations, Scotland 7s and the Guinness PRO12.

By the end of the season, seven players had signed full-time contracts with our two professional clubs, Zander Fagerson, Magnus Bradbury, Blair Kinghorn and D’Arcy Rae have joined Glasgow Warriors, Fergus Scott, Glenn Bryce and D’Arcy Rae have joined Edinburgh Warriors, while Edinburgh Rugby have secured Magnus Bradbury, Blair Kinghorn and Rory Sutherland.

“Where our Academies are unique, in my experience, is that our national coaches will work with them on a weekly basis. Any player in our Academy structure is only two steps away from working with the likes of Vern Cotter, Matt Taylor and Jonathan Humphreys”

Scott Johnson, Director of Performance Rugby

Making gains

Great strides have been made since the Academy structure was outlined in The Way Forward policy initiative 18 months ago. The landmark BT sponsorship deal has enabled Scottish Rugby to provide significant investment into the Academy.

This exciting national initiative will, for the first time, see both male and female players supported within their respective regions, while still ensuring our future professional male players have strong links and opportunities to be involved with our pro-clubs.

To allow this regional support, we have secured four new centres with top-class facilities including, indoor and outdoor training, performance gyms, medical and rehab space, offices and classrooms. The facilities have been developed in partnership with other agencies and will provide a focal point and regional identity for players, while also providing performance-training environments that are vital to accelerated development.

Regional matches at under-16, under-18 and under-20 levels were held throughout the season to give identified players a platform to be selected for the new Academy structure and international age-grade teams. The games also brought back meaningful competition between the four rugby regions in Scotland.

Highly skilled staff have been recruited to work with players and stakeholders within each region to identify future talent and to help instil performance behaviours and methods. Individual player plans and region wide programmes under the agreed national framework are being developed.

Development off the field will have a greater focus, with education embedded within the Academy programmes. A flexible training approach will allow for personal development alongside rugby, to help players become better, well-rounded individuals.

The Academy will also provide a pathway for the next tranche of coaches to bridge the gap between the club and professional games.

Working to improve the next generation of players and coaches within the BT Sport Scottish Rugby Academy will undoubtedly prove significant at all levels in the game and will help provide greater consistency and competitiveness in the future.

“The Academy is not about taking players out of their normal environments, it’s about adding value to individuals and having a positive impact on rugby in the region by instilling performance behaviours at clubs and schools”

Stephen Gemmell, Head of Academy
Grant McConell
Age: 20
Position: Winger
Club: Boroughmuir
Honours: Scotland under-18
Boroughmuir winger Grant McConnell ended the season on a high after scoring a try in the BT Cup final win over Hawick at BT Murrayfield. Becoming a Stage 3 BT Sport Scottish Rugby Academy player was the cherry on top for the 20-year-old, who is studying civil engineering at Edinburgh University.

"Training 25 hours a week is going to be a shock to the system, compared to my two club and four gym sessions, but it will be really beneficial.

"Being in a performance environment and training together, with the specialist coaches and hi-tech equipment, is definitely going to help me work towards my dream of playing for Scotland."

Sarah Law
Age: 20
Position: Scrum-half
Club: Murrayfield Wanderers
Honours: Scotland Women
Scotland Women scrum-half Sarah Law was selected as a Stage 2 BT Sport Scottish Rugby Academy player. When the 20-year-old isn’t studying applied maths at Edinburgh University, she will be down the road at Napier University training with fellow Academy players.

"They’re giving us everything we need so we can concentrate on improving all aspects of our game. The flexible programme will fit around my other study and will also complement my training with Murrayfield Wanderers.

"I think the Academy will give Scotland Women an opportunity to be better prepared for the games and will enable us to compete at a much higher level."
Scotland

From Richie Gray’s fifth minute try against Argentina to Tommy Seymour’s finish of Finn Russell’s cross-field kick against Tonga at Rugby Park, Kilmarnock, crowds were entertained from start to finish.

Five of the tries were scored in the opening match against Argentina that saw the hosts post their first victory against the Pumas at home since 1990.

The promising and potent display in front of a record crowd for the fixture was also Head Coach Vern Cotter’s first bow at BT Murrayfield.

What followed was another tale of so near and yet so far, and there have been a few in the 109-year history of matches between Scotland and New Zealand from a home perspective.

We put in an admirable performance, but were left lamenting one that got away in front of an energised crowd of 66,004.

Then came the chance to get back to winning ways against Tonga at a sold-out Rugby Park, where Scotland put in a strong second-half performance to end the series with a five-try win.

The players were rewarded in the autumn for their collective effort to create and finish opportunities, scoring 11 tries across the three Test matches. We played some good attacking rugby in the RBS 6 Nations, but needed to do it for much longer and get our mindset into building games, as well as minimising errors.

Vern Cotter, Scotland Head Coach.

Rugby World Cup

The extended squad kicked off their preparations at Font Romeu, a high altitude training camp in the French Pyrenees, before the four-game summer series against France, Italy and Ireland.

Scotland will face Japan, USA, South Africa and Samoa in the pool stages of the RWC.

Within the extended squad there are: 9 uncapped players;
6 competing for a place at their third Rugby World Cup; 26 cup / league champions this season, Glasgow Warriors, Gloucester & Saracens.

Capacity at Scotland’s six home games in 2014/15

315,270

89% capacity at Scotland’s six home games in 2014/15

Scottish Rugby Annual Report 2014/15
Scotland 7s

Scotland 7s finished the HSBC Sevens World Series in seventh place, overtaking their previous highest ranking of ninth.

This season...

In his first term as Head Coach, Calum MacRae and his charges competed in the top eight for the majority of the Series, having qualified for six Cup competitions across the nine tournaments.

They celebrated their highest ever finish of fourth in Wellington, before winning the Bowl in Hong Kong. There were also personal highlights among the squad, including captain Scott Riddell making the London 7s Dream Team for his eye-catching work at the breakdown.

Colin Gregor became the third highest all-time points scorer in the HSBC Sevens World Series, bringing his total to 1345 points. He also became Scotland's most capped sevens player with 58 Sevens World Series caps, before announcing his retirement at the end of the season.

James Johnstone had an impressive year and scored at least one try at every tournament, taking his season tally to 22. He was also the Series' top ball carrier.

Damien Hoyland made his mark during his first season on the Series by scoring 19 tries, seven of which were in Wellington.

Scotland Under-20

Scotland under-20 enjoyed their most successful year by recording their highest ever finish in the Six Nations and the World Rugby Under-20 Championship.

Under-20 Six Nations Championship

After notching up three victories from five, Sean Lineen’s charges finished third.

The squad recorded their first win over Wales since 2009 and their greatest winning margin in the 45-0 victory over Italy.

Scotland Under-18

Scotland under-18 started their season in a confident manner scoring three superb tries against England, before crossing the whitewash twice in a victory against Ireland Schools.

World Rugby Under-20 Championship

The team had a tough start at the championship in June, losing against eventual champions New Zealand and running close to Ireland, who they beat during the Six Nations.

In their final pool match, Scotland gave a scintillating three-try display on their way to achieving their first victory against Argentina.

Scotland Club XV

claimed the Dalriada Cup after defeating their Irish counterparts 23-18 at Heistere, Galashiels. The side, coached by Phil Smith of Heriot’s, lost their second match against England Counties 37-3.
Glasgow Warriors became the first Scottish team to win a major title last season, defeating Munster 31-13 to lift the Guinness PRO12 trophy.

The victory capped an incredible season for Gregor Townsend’s charges, who finished top of the league for the first time in the club’s history, securing a home play-off in the process.

The home semi-final against Ulster was won in dramatic circumstances, after the Warriors were down 10-6 at half-time but battled back to score four tries in the second half.

A week later, the sides met again and the Warriors’ home was rocking when DTH van der Merwe set the place alight on his final appearance in Glasgow colours at Scotstoun by scoring a try to tie the scores. Finn Russell banged the ball over the sticks from out wide to secure the Warriors’ place in the final.

At the final in Belfast, the Warriors dominated proceedings with Rob Harley, DTH van der Merwe and Henry Pyggs scoring before the break. Finn Russell scored the fourth try of the afternoon to seal the win against Munster.

Season 2014/15 will undoubtedly go down in history as the club retained their Melrose 7s title and also went close to qualifying from the European Rugby Champions Cup group stages for the first time.

The Warriors were unbeaten at home in the Guinness PRO12 and Townsend was named PRO12 Coach of the Season.

On the international front, the Warriors excelled with Finn Russell, Mark Bennett, Tyrone Holmes, Gordon Reid, Adam Ashe, Kevin Bryce and Alex Allan all winning their first caps, with Peter Horne making his first start at BT Murrayfield.

Ahead of the Rugby World Cup, 22 players were named in the training squad including Rory Hughes, Mike Cusack and Josh Strauss.

Next season, new signings Mike Blair, Greg Peterson, Grayson Hart, Sam Johnson, Kieran Low, Simone Favaro and Taqele Naiyaravoro will join the squad.

Signing Off

After nine years captaining the Warriors, inspirational leader Alastair Kellock hung up his boots at the end of the season bringing an end to a remarkable career.

“What an incredible feeling it was to lift the trophy in my final game before retiring. I’ve been at the club for nine years and we’ve been building and building and building for so long. For it to get to the point of winning the Guinness PRO12 is just beyond belief.”

The 33-year-old has skippered the club to two PRO12 finals, playing more than 150 times for the Warriors and winning 56 Scotland caps.

He received this season’s Guinness PRO12 Chairman’s Award in recognition of his outstanding service to the competition.

Kellock will now take up an ambassadorial role with Scottish Rugby, as well as assisting the development of Glasgow Warriors.

The main focus of his role will be engaging with the rugby and business communities and learning more about the commercial aspect of sport, enabling him to stay connected with the Warriors.

The victory capped an incredible season for Gregor Townsend’s charges, who finished top of the league for the first time in the club’s history, securing a home play-off in the process.

The home semi-final against Ulster was won in dramatic circumstances, after the Warriors were down 10-6 at half-time but battled back to score four tries in the second half.

A week later, the sides met again and the Warriors’ home was rocking when DTH van der Merwe set the place alight on his final appearance in Glasgow colours at Scotstoun by scoring a try to tie the scores. Finn Russell banged the ball over the sticks from out wide to secure the Warriors’ place in the final.

At the final in Belfast, the Warriors dominated proceedings with Rob Harley, DTH van der Merwe and Henry Pyggs scoring before the break. Finn Russell scored the fourth try of the afternoon to seal the win against Munster.

Season 2014/15 will undoubtedly go down in history as the club retained their Melrose 7s title and also went close to qualifying from the European Rugby Champions Cup group stages for the first time.

The Warriors were unbeaten at home in the Guinness PRO12 and Townsend was named PRO12 Coach of the Season.

On the international front, the Warriors excelled with Finn Russell, Mark Bennett, Tyrone Holmes, Gordon Reid, Adam Ashe, Kevin Bryce and Alex Allan all winning their first caps, with Peter Horne making his first start at BT Murrayfield.

Ahead of the Rugby World Cup, 22 players were named in the training squad including Rory Hughes, Mike Cusack and Josh Strauss.

Next season, new signings Mike Blair, Greg Peterson, Grayson Hart, Sam Johnson, Kieran Low, Simone Favaro and Taqele Naiyaravoro will join the squad.

Signing Off

After nine years captaining the Warriors, inspirational leader Alastair Kellock hung up his boots at the end of the season bringing an end to a remarkable career.

“What an incredible feeling it was to lift the trophy in my final game before retiring. I’ve been at the club for nine years and we’ve been building and building and building for so long. For it to get to the point of winning the Guinness PRO12 is just beyond belief.”

The 33-year-old has skippered the club to two PRO12 finals, playing more than 150 times for the Warriors and winning 56 Scotland caps.

He received this season’s Guinness PRO12 Chairman’s Award in recognition of his outstanding service to the competition.

Kellock will now take up an ambassadorial role with Scottish Rugby, as well as assisting the development of Glasgow Warriors.

The main focus of his role will be engaging with the rugby and business communities and learning more about the commercial aspect of sport, enabling him to stay connected with the Warriors.

The victory capped an incredible season for Gregor Townsend’s charges, who finished top of the league for the first time in the club’s history, securing a home play-off in the process.

The home semi-final against Ulster was won in dramatic circumstances, after the Warriors were down 10-6 at half-time but battled back to score four tries in the second half.

A week later, the sides met again and the Warriors’ home was rocking when DTH van der Merwe set the place alight on his final appearance in Glasgow colours at Scotstoun by scoring a try to tie the scores. Finn Russell banged the ball over the sticks from out wide to secure the Warriors’ place in the final.

At the final in Belfast, the Warriors dominated proceedings with Rob Harley, DTH van der Merwe and Henry Pyggs scoring before the break. Finn Russell scored the fourth try of the afternoon to seal the win against Munster.

Season 2014/15 will undoubtedly go down in history as the club retained their Melrose 7s title and also went close to qualifying from the European Rugby Champions Cup group stages for the first time.

The Warriors were unbeaten at home in the Guinness PRO12 and Townsend was named PRO12 Coach of the Season.

On the international front, the Warriors excelled with Finn Russell, Mark Bennett, Tyrone Holmes, Gordon Reid, Adam Ashe, Kevin Bryce and Alex Allan all winning their first caps, with Peter Horne making his first start at BT Murrayfield.

Ahead of the Rugby World Cup, 22 players were named in the training squad including Rory Hughes, Mike Cusack and Josh Strauss.

Next season, new signings Mike Blair, Greg Peterson, Grayson Hart, Sam Johnson, Kieran Low, Simone Favaro and Taqele Naiyaravoro will join the squad.

Signing Off

After nine years captaining the Warriors, inspirational leader Alastair Kellock hung up his boots at the end of the season bringing an end to a remarkable career.

“What an incredible feeling it was to lift the trophy in my final game before retiring. I’ve been at the club for nine years and we’ve been building and building and building for so long. For it to get to the point of winning the Guinness PRO12 is just beyond belief.”

The 33-year-old has skippered the club to two PRO12 finals, playing more than 150 times for the Warriors and winning 56 Scotland caps.

He received this season’s Guinness PRO12 Chairman’s Award in recognition of his outstanding service to the competition.

Kellock will now take up an ambassadorial role with Scottish Rugby, as well as assisting the development of Glasgow Warriors.

The main focus of his role will be engaging with the rugby and business communities and learning more about the commercial aspect of sport, enabling him to stay connected with the Warriors.
After notching up seven wins on their journey to Twickenham Stoop, their dream of silverware ended with Gloucester clinching the Challenge Cup. The club kicked off their European campaign with wins over Bordeaux-Bègles and Lyon before back-to-back successes over London Welsh. Their defeat against Lyon was quickly forgotten with victories over Bordeaux and London Irish, followed by a thrilling semi-final win over Dragons to book their place in the final.

Earlier in the season, Alan Solomons’ side proudly lifted the 1872 Cup for the first time in six years after a fantastic team performance, in front of a record crowd at BT Murrayfield, against Glasgow Warriors.

\[15,810 \text{ SPECTATORS at BT Murrayfield saw Edinburgh win the 1872 Cup - a record crowd for an Edinburgh Rugby league game.}\]

This was a highlight in what was a mixed Guinness PRO12 season that started with an away win over Munster and ended with two losses that put them out of contention of a top six finish.

Despite finishing the PRO12 with ten more points than the previous season, Edinburgh concluded the season in eighth – the same ranking as 2013/14. This placing means they will return to the Challenge Cup hoping to go one better under the continued leadership of Solomons, who committed to another year at the helm to build on the momentum.

The capital club will welcome former Edinburgh and Scotland international, Duncan Hodge, to the coaching team from the Scotland set-up following Rugby World Cup 2015. Scotland under-20 internationalists Blair Kinghorn and Jack Cosgrove will also be added to the player ranks alongside Nasi Manu and Will Helu.

“This past season has seen us make good progress. We became the first Scottish team to make a European final. We won the 1872 Cup for the first time in six years. Next season is a case of onwards and upwards” Alan Solomons, Edinburgh Head Coach

Edinburgh Rugby guard of honour from Duns RFC and Peebles RFC

Rising Talent
Sam Hidalgo-Clyne emerged as a potent threat this season and was voted the Guinness PRO12 Young Player of the Year.

The 21-year-old, who graduated through the Academy system, was also honoured closer to home by his former Club pack in Edinburgh, who voted him their local hero of the year.

Taking on kicking duties midway through the season, the scrum-half’s accuracy with the boot, in dreadful conditions, ensured Edinburgh’s away win over Connacht in January.

He backed this up with a man-of-the-match performance that saw him take the club’s European points record with two tries, three conversions and four penalties in the win over Bordeaux-Bègles at BT Murrayfield.

A further man-of-the-match performance in the quarter-final win away against London Irish led to an outstanding performance in the semi-final home win over Dragons, where he scored 25 points.

Having been brought in to the extended squad for the 2014 viagogo Autumn Tests, he made his Scotland debut against France in the RBS 6 Nations and was included in the extended Rugby World Cup squad.

1,100 player community visits during 2014/15
54 Ben Toolis won most lineouts in the European Challenge Cup

416 youngsters attended Young Gunners Camps
9,511 people met players at organised events

2,379 children were involved in pre-match activities
WP Nel named at tighthead in the Guinness PRO12 Dream Team
Women & Girls

More women and girls are playing rugby in Scotland with new teams springing up this season.

Howe of Fife, Greenock and Annan have capitalised on the surge of interest and have entered teams to play in national women’s leagues for the first time.

This means there will be 22 clubs competing across BT Women’s Premier League, BT National League 1 and BT National League 2 next season.

Across the country, the number of female club and school teams rose to 158 this season, compared to 130 in 2013/14, and 42 female referees completed their UKCC Level 1 qualification.

On the national front, Glasgow Warriors Assistant Coach, Shade Munro, was appointed Head Coach of Scotland Women.

Taking up the role this summer, Munro is charged with progressing the women’s side in line with the forthcoming national strategy for women and girls’ rugby, which is being developed by Head of Women & Girls’ Rugby, Sheila Begbie MBE.

Rugby for women is one of the fastest growing team sports in the world and more needs to be done to close the gap between Scotland and other nations.

The inclusion of 16 young women in the first intake of the new BT Sport Scottish Rugby Academy is a step towards improving performance. This will have a positive impact on all levels of the game as players will benefit from bespoke strength, conditioning, medical and playing facilities and expertise.

Scottish Rugby is also planning to bid for the Women’s Rugby World Cup 2021 and ensure Scotland Women qualify for the World Cup.

A number of young players made their debut for Scotland Women this season, which began with a four-day training camp in August.

A further four camps, including a win against an Irish Exiles side at BT Murrayfield, were held alongside weekly skills sessions.

Determined to build on their strong performance against Italy in the autumn, Scotland Women kicked off their 2015 Six Nations campaign against last year’s winners France.

Despite losing all six matches, the side showed improvements with number 8 Jade Konkel scoring against Italy and Eilidh Sinclair against England.

Scotland Women Results

| Six Nations | Scotland 8 v Italy 31 | Scotland 0 v France 42 | Scotland 3 v Wales 39 | England 42 v Scotland 13 | Scotland 3 v Ireland 73 |

Scotland Women Under-20

The under-20 programme aims to identify, develop and prepare young players for the Scotland Women senior squad.

An open trials day at BT Murrayfield in February, with five of the six tries scored by winger Rhona Lloyd, in the second fixture, away against Northumbria University, they kept their 100% record with a 34-0 win.

Scotland Women 7s

After two warm-up events in Amsterdam and London, the team competed in two Rugby Europe Grand Prix tournaments in Russia and France.

New players, including Scotland Women caps Jade Konkel and Karen Dunbar and under-20 cap Caitlin Harvey – got off to an encouraging start in Russia, where a first-ever win over Ukraine at this level and two wins over Portugal saw them lift the Bowl trophy and take ninth position on the table.

A tough draw in France, with only one victory over Italy, saw the Scots finish the season 11th, resulting in relegation to Rugby Europe Division A next season.

Women & Girls

Greenock Wanderers Ladies Team Launched

What began as a small group of young women keen to learn how to play rugby has turned into a fully-fledged competitive side.

Caitlyn Haldane rallied the players and launched the weekly training sessions with the support of local Rugby Development Officer, Brendan McGroarty. She also used social media to spread the word.

The team now has 30 registered players and will compete in BT Women’s National League 2 next season after remaining undefeated in the National Development League this year.

“"My dad has been coaching at the club for years and I’ve always had an interest in playing and I just wondered if there were any local girls who wanted to give it a go. A number of the girls from the team have been involved in coaching and helping Brendan encourage under-15 girls to start. The aim is to have an under-18 girls team as well.” - Caitlyn Haldane

Scotland Women

A number of young players made their debut for Scotland Women this season, which began with a four-day training camp in August.

A further four camps, including a win against an Irish Exiles side at BT Murrayfield, were held alongside weekly skills sessions.

Determined to build on their strong performance against Italy in the autumn, Scotland Women kicked off their 2015 Six Nations campaign against last year’s winners France.

Despite losing all six matches, the side showed improvements with number 8 Jade Konkel scoring against Italy and Eilidh Sinclair against England.

Scotland Women Results

| Six Nations | Scotland 8 v Italy 31 | Scotland 0 v France 42 | Scotland 3 v Wales 39 | Scotland 8 v Italy 31 | England 42 v Scotland 13 | Scotland 3 v Ireland 73 |

Scotland Women Under-20

The under-20 programme aims to identify, develop and prepare young players for the Scotland Women senior squad.

An open trials day at BT Murrayfield in February, with five of the six tries scored by winger Rhona Lloyd, in the second fixture, away against Northumbria University, they kept their 100% record with a 34-0 win.

Scotland Women 7s

After two warm-up events in Amsterdam and London, the team competed in two Rugby Europe Grand Prix tournaments in Russia and France.

New players, including Scotland Women caps Jade Konkel and Karen Dunbar and under-20 cap Caitlin Harvey – got off to an encouraging start in Russia, where a first-ever win over Ukraine at this level and two wins over Portugal saw them lift the Bowl trophy and take ninth position on the table.

A tough draw in France, with only one victory over Italy, saw the Scots finish the season 11th, resulting in relegation to Rugby Europe Division A next season.

New coach for Scotland Women

Former Scotland lock, Shade Munro will bring 18 years’ coaching experience to his role as Scotland Women Head Coach.

Munro moved from Glasgow Hawks to Glasgow Warriors as Assistant Coach in 2002 and was part of the Scotland coaching set-up in 2006. He was also Head Coach of Scotland A in 2013 when they beat England for the first time south of the border.

“I’ve got a lot of experience in professional rugby and I'm keen to bring that to the women’s game, to link the two and move the team on. I'm really looking forward to the challenge.

I'll look at all aspects of the women’s game – from the club coaches to the strength and conditioners to the team itself – and work in conjunction with Sheila, to bring a different edge to the national team programme.” Shade Munro
Scottish Rugby appreciates the time, knowledge and contribution all referees make to the game - without you matches simply wouldn’t go ahead.

This season there were 2,400 qualified match officials across the four regions.

We also held courses across the country, which were attended by over 400 referees.

While we continue to focus on educating referees to a high standard, we have also implemented a revised structure to our department under Referees Commissioner Tappe Henning.

The regional development positions were changed to three national roles and a technical and logistical support role for districts and societies was added.

Scottish Rugby’s four contracted referees for season 2014/15 - Lloyd Linton, Mike Adamson, Sam Grove-White and Andrew McMenemy were under the guidance of former international referee Dave Pearson.

All have been appointed to various high profile matches and tournaments this season alongside our other elite referees.

Neil Patterson, Lloyd Linton and Andrew McMenemy were involved in the European Rugby Champions Cup and Challenge Cup competitions.

Sam Grove-White was appointed to the Rugby Europe U18 tournament in France, while Mike Adamson, Kevin White and Alex Pratt officiated at the Rugby Europe Sevens tournament that also served as an Olympic Regional Qualifying tournament for Rio 2016. Young and energetic teams of Scottish match officials were also appointed to the Emirates Airline Glasgow 7s, including 18-year-old Ross Mabon, showcasing to World Rugby the face and future of Scottish referees.

Lloyd Linton
The up-and-coming referee swapped his stethoscope for a whistle when he graduated from Aberdeen University last summer.

Since then, the qualified doctor has been appointed to international duty, including two Rugby Europe internationals – Poland v Ukraine and Spain v Russia – and the Americas Rugby Championship in Canada.

He also took charge of four matches at the World Rugby U20 Championship 2015 in Italy and was assistant referee for three. He was appointed assistant referee for the final, which showed the high regard for his performances in the tournament.

Lloyd began refereeing in 2008 and has travelled to all corners of Scotland while gradually moving up the leagues and gaining experience on the international stage.

“I’m hoping next season will bring more chances to officiate Guinness PRO12 matches, European and international competitions.”

Lloyd Linton

Referees
While our elite referees performed on the global stage, hundreds of volunteers picked up the whistle week in, week out.

Mike Adamson keeps improving as a referee in the HSBC Sevens World Series and officiated in all nine tournaments, including the Cup finals in Dubai and London.

There are high expectations to see him selected for next year’s Olympic Games.

Mike Adamson at the Emirates Airline Glasgow 7s


Coaching Pathways

This season has seen the launch of a new UKCC Level 4 coaching qualification approved by sportscoachUK, and developed in conjunction with Edinburgh Napier University.

The aim of the course is to accelerate the development of Scotland’s top coaches, providing them with the skills and knowledge required to coach at the top of the game, and become leaders in their field.

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

We also launched the new World Rugby Strength & Conditioning Level 1 course, which is managed by our new Strength and Conditioning Coach Development Officer, Peter Jericevich. To date, 11 courses have been delivered, with 177 coaches attending.

The World Rugby First Aid in Rugby Level 1 qualification was also delivered for the first time with more courses due to be rolled out next season.

Our Positive Coaching Scotland Programme, in conjunction with the Bill McLaren Foundation – which aims to develop young rugby players through promoting a player-centred philosophy – has enjoyed a successful year with 30 clubs achieving accreditation and a further 24 clubs currently undertaking the accreditation process.

We achieved our target of increasing the number of continuous professional development (CPD) workshops and conferences offered to club and school coaches this season. Approximately 4200 coaches attended at least one session - a 40% increase on the previous season.

Sharing the Knowledge

Over 130 coaches converged on BT Murrayfield in May to learn from Scotland’s rugby leaders.

The day was a mix of presentations on coaching philosophies and styles, supported by practical workshops from coaches in the professional ranks of the sport.

Scotland Head Coach Vern Cotter focused on the breakdown area, and Glasgow Warriors Assistant Coach Kenny Murray spoke about his journey from the grassroots game to the professional stage.

The Long Term Player Development Stage Four and Five Coaching Resource, which focuses on developing and optimising performance in players aged 17 and above, was also launched at the conference.

“We’ve got a lot of expertise in our game and we want to filter their knowledge down. The feedback is very, very positive and people just want more of it which is something we’re always trying to do.”

Neil Graham, Scottish Rugby Coach Development Manager

Edinburgh Rugby kids camp at BT Murrayfield

We welcomed 374 coaches and teachers to our coaching conferences in Edinburgh and Glasgow.

87 National U18 Coaches’ Conference
132 National Coaches’ Conference
88 Teacher Conference 38 Edinburgh Rugby Coaching Day 29 Glasgow Warriors Coaching Day

Scottish and Glasgow Warriors defence coach Matt Taylor at the National Coaches’ Conference at BT Murrayfield

UKCC Level 1
30%
UKCC Level 2
5%
UKCC Level 3
113%

30%
Clubs

Supporting clubs to develop and plan for the future is a key focus for Scottish Rugby as it invests more money than ever into the domestic game.

The first round of funding from the £1.6 million Club Sustainability Fund was shared by 14 clubs, who received just over £400,000, to improve club facilities or employ Business Development Officers to generate more income.

This season’s successful clubs also secured an additional £600,000 of sportscotland National Lottery funding towards their capital projects, through the one-stop application process.

A further 41 rugby clubs received up to £2000 each from the Fast-Track strand of the Club Sustainability Fund to £2000 each from the Fast-Track strand of the Club Sustainability Fund for maintenance and improvement projects.

The Club Sustainability Fund has also provided a possible solution to many of the facility-related issues highlighted by about 60 clubs, who have used the Club Diagnostic Tool since it was launched in January. The tool, facilitated by the new Club Services Managers, helps clubs identify their strengths and weaknesses, compare themselves with other clubs and generate action and business plans to help them meet their future aspirations.

Scottish Rugby also provided support for clubs to capitalise on Rugby World Cup 2015, including sponsorship and events/hospitality workshops.

The RWC Trophy Tour gave clubs another opportunity to host events during the five-day tour of the Webb Ellis Cup across the length and breadth of Scotland.

The first round of funding from the £1.6 million Club Sustainability Fund was shared by 14 clubs, who received just over £400,000, to improve club facilities or employ Business Development Officers to generate more income.

This season’s successful clubs also secured an additional £600,000 of sportscotland National Lottery funding towards their capital projects, through the one-stop application process.

A further 41 rugby clubs received up to £2000 each from the Fast-Track strand of the Club Sustainability Fund for maintenance and improvement projects.

The Club Sustainability Fund has also provided a possible solution to many of the facility-related issues highlighted by about 60 clubs, who have used the Club Diagnostic Tool since it was launched in January. The tool, facilitated by the new Club Services Managers, helps clubs identify their strengths and weaknesses, compare themselves with other clubs and generate action and business plans to help them meet their future aspirations.

Scottish Rugby also provided support for clubs to capitalise on Rugby World Cup 2015, including sponsorship and events/hospitality workshops.

The RWC Trophy Tour gave clubs another opportunity to host events during the five-day tour of the Webb Ellis Cup across the length and breadth of Scotland.

The season’s successful clubs also secured an additional £600,000 of sportscotland National Lottery funding towards their capital projects, through the one-stop application process.

A further 41 rugby clubs received up to £2000 each from the Fast-Track strand of the Club Sustainability Fund for maintenance and improvement projects.

The Club Sustainability Fund has also provided a possible solution to many of the facility-related issues highlighted by about 60 clubs, who have used the Club Diagnostic Tool since it was launched in January. The tool, facilitated by the new Club Services Managers, helps clubs identify their strengths and weaknesses, compare themselves with other clubs and generate action and business plans to help them meet their future aspirations.

Scottish Rugby also provided support for clubs to capitalise on Rugby World Cup 2015, including sponsorship and events/hospitality workshops.

The RWC Trophy Tour gave clubs another opportunity to host events during the five-day tour of the Webb Ellis Cup across the length and breadth of Scotland.

The first round of funding from the £1.6 million Club Sustainability Fund was shared by 14 clubs, who received just over £400,000, to improve club facilities or employ Business Development Officers to generate more income.

This season’s successful clubs also secured an additional £600,000 of sportscotland National Lottery funding towards their capital projects, through the one-stop application process.

A further 41 rugby clubs received up to £2000 each from the Fast-Track strand of the Club Sustainability Fund for maintenance and improvement projects.

The Club Sustainability Fund has also provided a possible solution to many of the facility-related issues highlighted by about 60 clubs, who have used the Club Diagnostic Tool since it was launched in January. The tool, facilitated by the new Club Services Managers, helps clubs identify their strengths and weaknesses, compare themselves with other clubs and generate action and business plans to help them meet their future aspirations.

Scottish Rugby also provided support for clubs to capitalise on Rugby World Cup 2015, including sponsorship and events/hospitality workshops.

The RWC Trophy Tour gave clubs another opportunity to host events during the five-day tour of the Webb Ellis Cup across the length and breadth of Scotland.

The first round of funding from the £1.6 million Club Sustainability Fund was shared by 14 clubs, who received just over £400,000, to improve club facilities or employ Business Development Officers to generate more income.

This season’s successful clubs also secured an additional £600,000 of sportscotland National Lottery funding towards their capital projects, through the one-stop application process.

A further 41 rugby clubs received up to £2000 each from the Fast-Track strand of the Club Sustainability Fund for maintenance and improvement projects.

The Club Sustainability Fund has also provided a possible solution to many of the facility-related issues highlighted by about 60 clubs, who have used the Club Diagnostic Tool since it was launched in January. The tool, facilitated by the new Club Services Managers, helps clubs identify their strengths and weaknesses, compare themselves with other clubs and generate action and business plans to help them meet their future aspirations.

Scottish Rugby also provided support for clubs to capitalise on Rugby World Cup 2015, including sponsorship and events/hospitality workshops.

The RWC Trophy Tour gave clubs another opportunity to host events during the five-day tour of the Webb Ellis Cup across the length and breadth of Scotland.
Expanding the school and youth game is integral to increasing player numbers at all levels. The programmes we run focus on encouraging more children, from all walks of life, to take up rugby and continue to play through their teenage years and beyond.

This year, Scottish Rugby has continued to support schools and clubs in their partnerships with Club Development Officers and Community Coaches. We have expanded our CashBack Schools of Rugby to 30, where pupils at S1-S3 age groups take part in up to five sessions per week with a focus on developing core skills, physical competence and establishing new rugby teams.

A large part of the year has also been spent on revising our youth and school playing structures to ensure there are a meaningful amount of games at every age group and suitable training sessions.

We have engaged with schools, clubs and local authorities across the country to develop a new playing structure for schools and clubs next season. Taking this time to discuss and debate the issues will hopefully create an increased focus on the long-term development of players in the clubs and school structure.

Our aim is to translate more playing time and raising the standard of play into higher retention rates when players graduate into the adult game.

Players will also have better skill sets and a competitive maturity that allows them to continue to participate and excel as they progress through the game.

Rugby has the potential to make a significant impact on young people’s lives. It teaches physical, mental and emotional life-skills that endure and contribute to the development of self-reliance and resilience.
We are one year into our partnership with BT and our rugby community has already started to benefit with the roll-out of the £1.6 million Club Sustainability Fund and the launch of our BT Sport Scottish Rugby Academy. We completed the final stage of our partnership by announcing BT as shirt sponsor for our national and age-grade teams next season, following the BT Sport sponsorship of Edinburgh Rugby and Glasgow Warriors’ match jerseys this season.

Royal Bank of Scotland continues to be an important sponsor and it was great to see a record 150 clubs taking part in the Royal Bank of Scotland RugbyForce weekend to gear up for the season. We were delighted to add AG Barr as our soft drink partner, Vitality as our official healthcare partner and Gullivers Sports Travel as our supporter travel partner to our existing sponsors, including blue-chip partners Dove Men+Care, Caledonia Best and Macron.

The appointment of Pitch International LLP as our international media rights partner will see Scotland’s summer and autumn home Test matches broadcast in more countries, including substantial coverage in the Middle East and North America. Income generated from this agreement shows very strong growth over previous deals. Expanding our commercial family means we can continue to increase our investment into the grassroots game.

Macron have done an excellent job designing Scotland’s Rugby World Cup kit and the positive response from fans has been fantastic. Initial reports from retailers are that sales have been well above expectations. Our family day at BT Murrayfield to launch the kit was also a success with approximately 1,500 fans coming to watch Scotland train and meet the players.

“We are focused on delivering great events for our supporters and we have some exciting events lined up for the Rugby World Cup, including creating a home-from-home advantage through our #tartantakeover campaign.”

Dominic McKay
Director of Commercial Operations, Communications & Public Affairs

Announcement of BT as Scotland and age-grades shirt sponsor with Brendan Dick, Managing Director, BT Scotland

Glasgow Warriors Season Ticket Members

89% increase over 3 seasons
3,435 2014/15

Glasgow Warriors Season Ticket Members

10,212 2014/15

Scotland Season Pass Purchasers

141% increase over 3 seasons
10,212 2014/15

Edinburgh Rugby home match attendance

43% increase over 2 seasons
74,591 2014/15

“With every pound from ticket sales going back into the game, it was encouraging to see supporters filling BT Murrayfield and Scotstoun this season.”

‘Sold out in record time’

Capacity
Crowd
Largest crowd

Glasgow Rugby Home Match Attendance

Macron have done an excellent job designing Scotland’s Rugby World Cup kit and the positive response from fans has been fantastic. Initial reports from retailers are that sales have been well above expectations. Our family day at BT Murrayfield to launch the kit was also a success with approximately 1,500 fans coming to watch Scotland train and meet the players.

“We are focused on delivering great events for our supporters and we have some exciting events lined up for the Rugby World Cup, including creating a home-from-home advantage through our #tartantakeover campaign.”

Dominic McKay
Director of Commercial Operations, Communications & Public Affairs

Corporate Social Responsibility

Scottish Rugby has supported many causes this season both at home and abroad. Some were borne from tragic circumstances, while others enhanced physical activity among young people through local rugby clubs.

We have provided extraneous kit to the Jungle Crows junior rugby club in Calcutta – delivered during a Commonwealth Parliamentary Association delegation visit to India. Edinburgh Rugby and Scotland trio, Tim Visser, David Denton and Matt Scott, took part in the Big Dinner, an initiative inspired by Edinburgh lawyer and amputee Oliva Giles. Her charity 500 Miles supports those in need of artificial limbs in Malawi and Zambia.

Closer to home, we have had the privilege of welcoming terminally ill children and adults plus their families behind the scenes on international match days. We also provided 1,000 tickets for troops to the Scotland v Italy match at BT Murrayfield.

We formed an official partnership with Triul Rugby International, Scotland’s only unified rugby club, enabling it to expand from its Ayrshire roots to a branch in Edinburgh. They will represent Scotland in the first unified rugby world championship in Bradford this summer. Unified rugby enables players with a disability to train and play in the same team as non-disabled players.

G4S has forged close links to Game On, which is funded by Wooden Spoon and supported by Scottish Rugby. The programme helps young people develop life skills through rugby. Since 2013, the scheme has worked with over 40 young people and seen many secure employment, modern apprenticeships, college courses and recruitment to the armed services.

Support also continued for our core charities, which have strong links to the rugby family:

Working with Government

Scottish Rugby continues to move physical activity, and in particular rugby, higher up the political agenda. We work with parties across the political spectrum to demonstrate the value our sport can bring to communities, the nation and Scots around the globe.

Our annual Parliamentary Reception took place at Holyrood in January when our main themes were equality of opportunity and closing the gender gap. Vern Cotter and Head of Women and Girls’ Rugby Sheila Heggie answered MSPs’ questions, while Scotland Women’s vice-captain Lisa Martin gave an address on what it means to play for Scotland.

During Scottish Apprentice Week, we hosted the Cabinet Secretary for Fair Works, Skills and Training, Roseanna Cunningham MSP at Currie RFC, where she met our modern apprentice Callum Ramm, 18, who led a rugby festival for around 200 children from Primary 6 and 7 classes in the Currie and Balerno area.

Scotland’s new Minister for Sport, Health Improvement and Mental Health, Jamie Hepburn MSP, was Scottish Rugby’s guest at the Daily Record Festival of Rugby during the Emirates Airline Glasgow 7s. He also attended the official opening of the new artificial pitch at Currie RFC, funded by Cashback for Communities.

Scottish Rugby has engaged with East Ayrshire Council, which has been an enthusiastic supporter of our Schools of Rugby initiative, and won additional funding to double the Schools of Rugby in the area to four over the next three years.

The Scottish Government’s Cashback for Communities has committed over £6 million between 2008 and 2017. The funds from the seized proceeds of crime support a range of Scottish Rugby programmes including school and club sessions, youth coaching courses, Street Rugby and Schools of Rugby. Additional funding has also been invested into improving rugby club facilities across Scotland.

Six Parliamentary motions were passed this year. Brothers Richie and Jonny Gray were congratulated for playing their first Scotland game together against Argentina and a motion welcomed the unveiling of the first BT Sport Scottish Rugby Academy in Caledonia.
Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.

Scottish Rugby Annual Report 2014/15

Leadership • Engagement • Achievement • Enjoyment • Respect

socialmedia.png

Scottish Rugby fans can access all the latest news and activity from our international and pro sides all the way down to the grassroots game through more channels than ever before.

Engagement via our social media channels continues to increase with Facebook remaining our most popular platform.

Over on Twitter, we have continued to gain followers and #Scotlandteam now has over 100K followers.

We have utilized Periscope to live stream games, post-match interviews and the first round of the BT Cup draw.

We have also embraced Vine to create six-second looping videos to give fans a behind the scenes look at the Scotland team’s training and match preparation.
Health & Safety

Focus on H&S
Over 130 staff attended briefing sessions to raise awareness of the roles and responsibilities for health and safety throughout the business. The session also gave staff an opportunity to talk openly about their perception of health and safety within Scottish Rugby. This information will be used to help shape the priorities for the forthcoming year.

Better Disabled Facilities
The 100th Changing Places Toilet in Scotland was opened at BT Murrayfield in December 2014. It includes a height adjustable changing bench and hoist, and will ensure that we can welcome all visitors and spectators, regardless of their disability and personal needs, to events held at the stadium.

Improved Communications
The Corporate H&S Committee has been restructured to improve communication, consultation and planning for health and safety throughout the business. New local groups have been established to promote discussion at a grassroots level whilst identifying and reviewing key risks within each department.

First Aid in Rugby
The new World Rugby First Aid in Rugby Level 1 course was launched this season and delivered to 148 people.

RugbyReady
This mandatory, practical course was completed by 3,434 coaches, teachers and referees this season.

First Aid Response
On non-match days we have 12 qualified first-aiders on site. We also have three defibrillators strategically located around BT Murrayfield and all first-aiders have received training to ensure a quick response to a cardiac arrest suffered on site.

Event Safety
We welcomed nearly 1,000 wheelchair users to our international rugby fixtures during the season. All fixtures were delivered safely with no significant public safety issues or disorder.

Flu Vaccines
All the professional players and more than 80 Scottish Rugby staff received the Flu vaccination in October to ensure business continuity during the winter rugby season.

“If in doubt, sit them out”
Scottish Rugby was a driving force behind new cross-sport guidelines on concussion, which was developed by leading experts.

Scotland team doctor and Scottish Rugby’s Chief Medical Officer Dr James Robson backed the launch of the Scottish Government leaflet this season advising coaches, teachers and parents on how to spot the signs of concussion and what action to take.

The publication underlines the thinking, “If in doubt, sit them out”, and is based on World Rugby’s clear grassroots guidance on concussion.

“The launch of national guidelines for the recognition and management of concussion across all sports in Scotland marks a new standard in collaborative care, and one which I hope others will copy.”

“This is building on work we’ve done at Scottish Rugby, including our ‘Are you ready to play rugby’ programme, which teaches good technique and risk management. It also teaches participants that sport is good for you and there are possible risks, but if you’re careful then you can enjoy a healthy lifestyle.” Dr James Robson

Dr Robson also encouraged former Scotland rugby players to participate in a groundbreaking study by University of Glasgow researchers on the effects of concussion and whether there is evidence that head injuries in rugby have any long-term health effects.

Youth Results
National U18 Youth Cup
National U16 Youth Cup
National U18 Bowl
National U16 Bowl
Scottish Rugby U18 League
Scottish Rugby U16 League

Club Results
BT Cup
BT Shield
BT Bowl
Sarah Beaneey Cup
BT Women’s Plate
BT Women’s Bowl
BT Premiership
BT National Division 1
BT National Division 2
BT National Division 3
BT Women’s Premier League
BT Women’s National Division 1
BT Women’s National Division 2

Brewin Dolphin Schools Results
U18 Cup
U16 Cup
U18 Shield
U18 Plate
U16 Plate
Girls U18 Cup
Girls U18 Shield
Girls U18 Bowl
Girls U15 Cup
Girls U15 Shield
Girls U15 Bowl

Club Awards of the Season
BT Premiership
BT National Leagues Division 1
BT National League Division 2
BT National League Division 3
BT Caledonia Divisions
BT East Divisions
BT West Divisions
BT Women’s Premier League
BT Women’s National Division 1
BT Women’s National Division 2

Brewin Dolphin Schools Results
George Watson’s College
Merchiston Castle School
Glenalmond College
Earlston High School
Stewart’s Melville College
Howick High School
Murrayfield Wanderers
Caitness
Community School of Auchterarder
Bigger
Hilhead Jordanhill
Oban High School

Strategic Report

The Directors present their Strategic Report for the year ended 31 May 2015.

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 Policy Initiatives, specifically in the areas of academies, coaching, the women’s game, schools, clubs, and refereeing. The implementation of these initiatives has continued in the course of the year.

The Union has achieved a £24k surplus for the year (period ended 31 May 2014: surplus of £0.9m). Turnover was £0.5m higher than in the period to 31 May 2014, with additional sponsorship income from the BT agreement and higher ticket revenues from three home Six Nations matches compared with two in the prior period being offset by reduced broadcast income from Six Nations and the effects of the depreciating euro. Other income was £0.1m lower than in the period ended 31 May 2014, with various offsetting factors affecting this.

Increased sponsorship from BT is partially offset by there being no income from the British & Irish Lions Tour this year, a 12 month period against a 13 month period last year, and other smaller changes in incomes relating to grants and other income.

Within the expenditure categories, there are the effects of returning to a 12 month period from the 13 month period in 2013/14, together with increases in investment in a number of areas of the game. Club Support and Development shows a 23% increase compared with the prior period, which itself showed a 16% increase compared with 2012/13. This year, the increase relates mainly to the funding available from the new Club Sustainability Fund, made possible through the BT deal. International and Professional Rugby, which represents the Union’s largest cost base, although similarly represents the largest income generating area, has dropped from £23.6m to £22.8m, where the effects of the period length were partially offset by higher National Team tour investment and additional Pro Team coaching and off-field investment. Investment in Community & Performance Rugby has increased from £5.0m to £6.2m, both through the increased resource being made available for Domestic Rugby, but also through enhanced expenditure in the

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, 23 July 2015
Scottish Rugby Council

President
Ian Rankin

Vice-President
Edward A. Crozier

Her Royal Highness, The Princess Royal
Patron

Leigh Miller
President of the Women’s Rugby Forum

Vice-President
Edward A. Crozier

At the AGM on 16 August 2014 Ian Rankin succeeded Donald Macleod as President and Edward A. Crozier was elected as Vice-President of the Union after a contested election. Graeme Scott joined the Council, replacing John Steele as the National 2 representative. John Jeffrey and Archie Ferguson, in their capacities as Scottish Rugby’s representatives on international bodies, continued to serve during the year as non-voting co-optees to the Council.

Ian Rankin chaired the Council with the Vice-President, Edward A. Crozier acting as the Vice-Chair. The Council met 11 times during the financial year, including meeting immediately after the AGM to elect Council representatives to the Board, quarterly reviews, two joint strategy and briefing sessions with the Board and additional briefing meetings. The Council is responsible, among other things, for reviewing the operational activity delegated to the Board, developing and fostering the game of rugby in Scotland, reviewing and advising on matters of policy and strategy and developing relationships within the game at both domestic and international levels.

Council members continued to participate in a number of working groups throughout the year including season structures and governance review and in ambassadorial capacities supporting the various age-grade and women’s national teams.

The Scottish Rugby Board is responsible for the ongoing management and operations of Scottish Rugby, 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 is the Senior Independent Director.

Executive Directors serve under the terms of their employment or service contracts. The independent non-executive Directors are appointed for terms of three years and would normally be expected to serve for two terms. Appointment of the independent non-executive Directors 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 as a Director for one year. Other Council nominated non-executive Directors may serve for up to three years at a time, subject to remaining a member of Council. Eligibility for re-election depends 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.

The Board met 11 times during the year, including a separate strategy session and the two joint briefing sessions with the Council. The Vice-President attends Board meetings 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.

Sir Moir Lockhead OBE
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. He also chairs the Nomination Committee.

Mark Dodson
Starting his career in 1979 at the Guardian Media Group, Mark became Chief Executive of Guardian Media Group Regional Media in 2005 and was 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, the 6 Nations Council, World Rugby and the British & Irish Lions.

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

Collin Grassie
In the role of Football Development Director, Collin has served as President of Lawswode RFC for a number of years and sits on the Scottish Rugby Council.

Colin Grassie
Independent non-executive
Appointed 19 September 2011.

Scottish Rugby Annual Report 2014/15
Leadership · Engagement · Achievement · Enjoyment · Respect

42

Irish Rugby Annual Report 2014/15
Leadership · Engagement · Achievement · Enjoyment · Respect

43
Board Committees

During the period, the Board operated three sub-committees to assist with the delegation and management of its business. Membership of Board committees is restricted to non-executive Directors and includes at least one Council nominated non-executive director on each committee. Executive Directors and other members of staff and external advisers attend meetings regularly as required. 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 Board meeting.

Audit Committee (Chair: Fergus Neil)

Mike Monro, Fergus Neil and Lesley Thomson served on this Committee during the financial year. 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 4 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, Sir Moir Lockhead, Ian McLauchlan and Ian Rankin served on the Committee during the financial year. The Chief Executive and Company Secretary also attend the Committee’s meetings. This Committee is responsible for making recommendations to the Board as to the membership of the Board and its Sub-Committees, the identification and recruitment of new Directors when required and the identification and appraisal of international body representatives. Advice is taken from external consultants as required. The Committee met 3 times in the year.

Remuneration Committee (Chair: Colin Grasie)

Colin Grasie, 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, setting and monitoring key performance targets and reviewing succession planning. Approval of the remuneration of senior coaches and higher-earning players also falls within the Committee’s remit. The Committee met four times during the financial year. The Company Secretary attends meetings, with the Chief Executive attending as required. Advice is taken from external consultants when needed.

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. No breaches of alleged breaches were reported in the year.

Development of Corporate Governance

During the year a Review Panel was formed by the Council, with an Independent Chairman (Rob Rockhart) for the purpose of examining governance issues. These included considering the rate and terms of office of the President and Vice-President and Council electoral constituencies. Following a consultation exercise the Review Panel’s recommendations on the first of these subjects were delivered to the Council in April 2015 and form the basis for two of the resolutions to be proposed by the Council and Board at the 2015 AGM.

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. 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 remuneration in respect of their elected roles although are entitled to receive expenses incurred wholly, exclusively and necessarily on Scottish Rugby business in accordance with Scottish Rugby’s expenses policy.

Notes:

1. These rates were not changed in the financial year.
2. Members of the Scottish Rugby Council receive no remuneration in respect of their elected roles although are entitled to receive expenses incurred wholly, exclusively and necessarily on Scottish Rugby business in accordance with Scottish Rugby’s expenses policy.
3. World Rugby, Six Nations Committee (6NC) and Celtic Rugby Limited (CRL) compensate the representatives/directors serving on those bodies and the service fees paid to the Scottish Rugby representatives involved were as noted. Fees payable by those bodies during the financial year to Mark Dodson and Dominic McKay were acknowledged by the individuals and are retained by Scottish Rugby.
4. Dominic McKay served as a director of Celtic Rugby Limited during the year, with Mark Dodson and Ian McLauchlan being Scottish Rugby’s nominated board members of European Professional Club Rugby.

<table>
<thead>
<tr>
<th>Position Held</th>
<th>Paid by</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director’s Representative</td>
<td>Director’s Representative Bodies’ Fee</td>
<td>Total</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td>Sir Moir Lockhead</td>
<td>CRL</td>
<td>35,000</td>
</tr>
<tr>
<td>Ian Barr</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Colin Grasie</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Ian Rankin</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Ian McLauchlan</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Mike Monro</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Fergus Neil</td>
<td>CRL</td>
<td>15,000</td>
</tr>
<tr>
<td>Lesley Thomson</td>
<td>CRL</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 those 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.

Notes:

1. These rates were not changed in the financial year.
2. Members of the Scottish Rugby Council receive no remuneration in respect of their elected roles although are entitled to receive expenses incurred wholly, exclusively and necessarily on Scottish Rugby business in accordance with Scottish Rugby’s expenses policy.
3. World Rugby, Six Nations Committee (6NC) and Celtic Rugby Limited (CRL) compensate the representatives/directors serving on those bodies and the service fees paid to the Scottish Rugby representatives involved were as noted. Fees payable by those bodies during the financial year to Mark Dodson and Dominic McKay were acknowledged by the individuals and are retained by Scottish Rugby.
4. Dominic McKay served as a director of Celtic Rugby Limited during the year, with Mark Dodson and Ian McLauchlan being Scottish Rugby’s nominated board members of European Professional Club Rugby.
Board Report
The Directors present their Report and the audited financial statements for the year ended 31 May 2015.

An overview and review of the Union can be found in the Business Review, within the Strategic Report on page 38.

Going Concern
The Directors believe that the Union has adequate resources to continue in operational existence for the foreseeable future and if 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 the 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 in producing and implementing our Equality and Diversity Plan, which can be located on our website, and we have appointed an Equality Champion. In addition we have recruited an Equality and Outreach Manager. This role has been instrumental in embedding equality and diversity and progressing actions within our plan.

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 maintaining 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 or she ought to have taken in his or her duty as a Director in order to make himself or herself 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 period, and up to the date of signing the Financial Statements, are noted on page 42.

By order of the Board
Robert M Howat
Secretary
Edinburgh, 23 July 2015
Financial Statements

Independent Auditors’ Report to the Members of the Scottish Rugby Union

Report on the Group Financial Statements

Our Opinion

In our opinion Scottish Rugby Union’s consolidated financial statements ("the Financial Statements"): • give a true and fair view of the state of the Union’s affairs as at 31 May 2015 and its surplus and cash flows for the year then ended; • have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and • have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The Financial Statements, comprise:

• the consolidated balance sheet as at 31 May 2015;
• the consolidated income and expenditure account for the year then ended;
• the consolidated cash flow statement for the year 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 the preparation of the Financial Statements 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Board 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. 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 page 47, 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 International Standards on Auditing (UK & Ireland) (“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.

What an audit of financial statements involves

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors’ judgements against available evidence, forming our own judgements, and evaluating the disclosures in the Financial Statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.

Kenneth Wilson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh, 23 July 2015
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 year to 31 May 2015 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 grouped up on the basis of arm 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-minimum level for capitalisation of assets has been set at £100,000 for the first three asset categories below and at £5,000 for other equipment. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. The straight line basis is used in respect of all assets and the principal annual depreciation rates are:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Nil</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>1-20%</td>
</tr>
<tr>
<td>Other equipment</td>
<td>4-25%</td>
</tr>
<tr>
<td></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.

deferred 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 rate 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.

Consolidated Income & Expenditure Account

<table>
<thead>
<tr>
<th>Notes</th>
<th>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ticket Income</td>
<td>10,143</td>
</tr>
<tr>
<td></td>
<td>Broadcasting revenues</td>
<td>10,822</td>
</tr>
<tr>
<td></td>
<td>Other operating income</td>
<td>23,278</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>44,243</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td>International and Professional Rugby</td>
<td>22,761</td>
</tr>
<tr>
<td></td>
<td>Domestic and Performance Rugby</td>
<td>6,201</td>
</tr>
<tr>
<td></td>
<td>Commercial and Operational</td>
<td>10,876</td>
</tr>
<tr>
<td></td>
<td>Club Support and Development</td>
<td>2,772</td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>1,053</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>43,665</strong></td>
</tr>
<tr>
<td>Operating Surplus</td>
<td></td>
<td>580</td>
</tr>
<tr>
<td>Net Interest</td>
<td></td>
<td>(556)</td>
</tr>
<tr>
<td>Surplus on ordinary activities before taxation</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td>Taxation on surplus on ordinary activities</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Surplus for the financial period</td>
<td>15</td>
<td>24</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>2015 £000</th>
<th>2014 £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>39,616</td>
</tr>
<tr>
<td>Investments</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>39,618</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>7</td>
<td>5,456</td>
</tr>
<tr>
<td>Cash at bank</td>
<td></td>
<td>404</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>5,464</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(20,132)</td>
<td>(11,645)</td>
</tr>
<tr>
<td><strong>Net Current Liabilities</strong></td>
<td></td>
<td>(14,668)</td>
</tr>
<tr>
<td><strong>Provisions for liabilities</strong></td>
<td>9</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Total Assets less Current Liabilities and Provisions</strong></td>
<td></td>
<td>24,904</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due after more than one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>148</td>
<td>8,451</td>
</tr>
<tr>
<td>Deferred income</td>
<td>10</td>
<td>2,070</td>
</tr>
<tr>
<td>Ten Year Debentures</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Murrayfield Debentures</td>
<td>12</td>
<td>31,542</td>
</tr>
<tr>
<td>Irredeemable Debentures</td>
<td>13</td>
<td>97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>33,858</td>
</tr>
<tr>
<td><strong>General Reserve</strong></td>
<td>15</td>
<td>(8,954)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>24,904</td>
</tr>
</tbody>
</table>

The Financial Statements on pages 50 to 60 were approved by the Scottish Rugby Board and signed on its behalf on 23 July 2015 by:

Sir Moir Lockhead OBE, Chairman

Mark Dodson, Chief Executive

## Consolidated cash flow statement

<table>
<thead>
<tr>
<th>Year Ended</th>
<th>Period ended</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 May 2015</td>
<td>31 May 2014</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Net cashflow from operating activities</strong></td>
<td></td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,999</td>
</tr>
<tr>
<td><strong>Return on investments and servicing of finance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid on bank overdrafts and loans</td>
<td></td>
<td>(341)</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></td>
<td>(1,877)</td>
</tr>
<tr>
<td><strong>Financing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of bank loan</td>
<td></td>
<td>(2,250)</td>
</tr>
<tr>
<td>Finance lease</td>
<td></td>
<td>(6)</td>
</tr>
<tr>
<td><strong>(Decrease) / Increase in cash</strong></td>
<td></td>
<td>(2,473)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Period ended</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 May 2015</td>
<td>31 May 2014</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Reconciliation of net cash flow to movement in net debt</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Decrease) / Increase in cash in period</td>
<td></td>
<td>(2,473)</td>
</tr>
<tr>
<td>Amortisation of Murrayfield Debentures</td>
<td></td>
<td>(82)</td>
</tr>
<tr>
<td>Repayment of bank loan</td>
<td></td>
<td>2,250</td>
</tr>
<tr>
<td>Finance lease</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Change in net debt</td>
<td></td>
<td>(301)</td>
</tr>
<tr>
<td><strong>Opening net debt</strong></td>
<td></td>
<td>(39,411)</td>
</tr>
<tr>
<td><strong>Closing net debt</strong></td>
<td>17</td>
<td>(39,712)</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements

1. Surplus on ordinary activities before taxation

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Amortisation of deferred income</td>
<td>137</td>
<td>148</td>
</tr>
<tr>
<td>Barter transaction sponsorship income</td>
<td>851</td>
<td>710</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>And after charging:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditors remuneration</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Auditors fees for non-audit services</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Tax compliance</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Tax advisory</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Depreciation charge for the period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owned fixed assets</td>
<td>1,053</td>
<td>1,257</td>
</tr>
<tr>
<td>Operating lease rentals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; machinery</td>
<td>44</td>
<td>10</td>
</tr>
<tr>
<td>Other</td>
<td>305</td>
<td>265</td>
</tr>
<tr>
<td>Barter transaction sponsorship costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative and management expenses</td>
<td>851</td>
<td>710</td>
</tr>
<tr>
<td></td>
<td>2,682</td>
<td>2,646</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>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>No.</td>
</tr>
<tr>
<td>Rugby</td>
<td></td>
</tr>
<tr>
<td>Professional Players</td>
<td>101</td>
</tr>
<tr>
<td>Professional Teams - Coaching &amp; Operations</td>
<td>24</td>
</tr>
<tr>
<td>National Team - Coaching &amp; Operations</td>
<td>9</td>
</tr>
<tr>
<td>Elite Development Players &amp; Coaches</td>
<td>33</td>
</tr>
<tr>
<td>Domestic &amp; Performance</td>
<td>69</td>
</tr>
<tr>
<td>Strength &amp; Conditioning</td>
<td>11</td>
</tr>
<tr>
<td>Medical &amp; Physiotherapy</td>
<td>10</td>
</tr>
<tr>
<td>Stadium Operations</td>
<td>37</td>
</tr>
<tr>
<td>Commercial, marketing &amp; other corporate functions</td>
<td>51</td>
</tr>
<tr>
<td>TOTAL</td>
<td>345</td>
</tr>
</tbody>
</table>

Within the above figures:
- Domestic & Performance includes employees within the BT Academies, Domestic Rugby Support, Services, Participation and Development, Coach Development, Outreach & Equality, Schools & Youth, Domestic and Elite Refereeing, and Age Grade & Other Coaches.
- Stadium Operations includes staff involved in Event Management, Ticketing and Stadium & Pitch 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>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment costs:</td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>21,052</td>
</tr>
<tr>
<td>Social security costs</td>
<td>2,295</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>573</td>
</tr>
<tr>
<td></td>
<td>23,920</td>
</tr>
</tbody>
</table>

3. Net Interest

<table>
<thead>
<tr>
<th>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest payable on bank borrowings</td>
<td></td>
</tr>
<tr>
<td>Amortisation of Debenture issue costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(474)</td>
</tr>
<tr>
<td></td>
<td>(82)</td>
</tr>
<tr>
<td></td>
<td>(556)</td>
</tr>
</tbody>
</table>

4. Taxation on surplus on ordinary activities

<table>
<thead>
<tr>
<th>Year Ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Tax:</td>
<td></td>
</tr>
<tr>
<td>On profits arising from non-mutual trading</td>
<td></td>
</tr>
<tr>
<td>Deferred:</td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of timing differences</td>
<td>(27)</td>
</tr>
<tr>
<td>Movement in deferred tax unprovided</td>
<td>27</td>
</tr>
<tr>
<td>Factors affecting the current tax charge for the year:</td>
<td></td>
</tr>
<tr>
<td>Surplus on ordinary activities before tax</td>
<td>24</td>
</tr>
<tr>
<td>Corporation Tax at 20% (2014 - 20%)</td>
<td>5</td>
</tr>
<tr>
<td>Effects of:</td>
<td></td>
</tr>
<tr>
<td>Net expenses not deductible for tax purposes</td>
<td>141</td>
</tr>
<tr>
<td>Crystallisation of tax losses</td>
<td>(112)</td>
</tr>
<tr>
<td>Non-taxable mutual profits</td>
<td>(150)</td>
</tr>
<tr>
<td>Depreciation in excess of capital allowances</td>
<td>88</td>
</tr>
<tr>
<td>Movement in other timing differences</td>
<td>28</td>
</tr>
<tr>
<td>The Union has gross taxable profits arising in the period of £nil (2014 - £nil).</td>
<td></td>
</tr>
</tbody>
</table>
5. Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>Heritable Property £000</th>
<th>Fixtures &amp; Fittings £000</th>
<th>Equipment £000</th>
<th>Assets Under Construction £000</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 June 2014</td>
<td>46,128</td>
<td>14,171</td>
<td>3,888</td>
<td>916</td>
<td>65,103</td>
</tr>
<tr>
<td>Additions</td>
<td>513</td>
<td>162</td>
<td>365</td>
<td>-</td>
<td>1,040</td>
</tr>
<tr>
<td>Transfers</td>
<td>916</td>
<td>-</td>
<td>-</td>
<td>(916)</td>
<td>-</td>
</tr>
<tr>
<td>As at 31 May 2015</td>
<td>47,557</td>
<td>14,333</td>
<td>4,253</td>
<td>-</td>
<td>66,143</td>
</tr>
</tbody>
</table>

Accumulated Depreciation

<table>
<thead>
<tr>
<th></th>
<th>Heritable Property £000</th>
<th>Fixtures &amp; Fittings £000</th>
<th>Equipment £000</th>
<th>Assets Under Construction £000</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 June 2014</td>
<td>10,241</td>
<td>12,190</td>
<td>3,043</td>
<td>-</td>
<td>25,474</td>
</tr>
<tr>
<td>Charge for year</td>
<td>657</td>
<td>218</td>
<td>178</td>
<td>-</td>
<td>1,053</td>
</tr>
<tr>
<td>As at 31 May 2015</td>
<td>10,898</td>
<td>12,408</td>
<td>3,221</td>
<td>-</td>
<td>26,527</td>
</tr>
</tbody>
</table>

Net Book Value

<table>
<thead>
<tr>
<th></th>
<th>Heritable Property £000</th>
<th>Fixtures &amp; Fittings £000</th>
<th>Equipment £000</th>
<th>Assets Under Construction £000</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 May 2015</td>
<td>36,659</td>
<td>1,925</td>
<td>1,032</td>
<td>-</td>
<td>39,616</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>
</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>Amounts falling due within one year</th>
<th>2015 £000</th>
<th>2014 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>6000</td>
<td>2000</td>
</tr>
<tr>
<td>Prepayments</td>
<td>4,413</td>
<td>3,818</td>
</tr>
<tr>
<td>Other debtors</td>
<td>655</td>
<td>890</td>
</tr>
<tr>
<td></td>
<td>388</td>
<td>188</td>
</tr>
<tr>
<td></td>
<td>5,456</td>
<td>4,896</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements

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>Opening</td>
<td>-</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td>Transfer during period</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Closing</td>
<td>-</td>
<td>46</td>
<td>46</td>
</tr>
</tbody>
</table>

Deferred taxation comprises:

- 2015: £1,644, £390, £599
- 2014: £1,704, £418, £341

Deferred tax asset not recognised: £1,365, £1,348

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.

10. Deferred income

<table>
<thead>
<tr>
<th>Heritable Property</th>
<th>Debenture</th>
<th>31 May 2015</th>
<th>31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Opening</td>
<td>1,598</td>
<td>609</td>
<td>2,207</td>
</tr>
<tr>
<td>Amortisation</td>
<td>(31)</td>
<td>(117)</td>
<td>(148)</td>
</tr>
</tbody>
</table>

Closing: £1,567, £503, £2,070, £2,207

11. Ten Year Debentures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>J</td>
<td>£1</td>
<td>100</td>
<td>429</td>
<td>429</td>
</tr>
<tr>
<td>K</td>
<td>£1</td>
<td>1,000</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>L</td>
<td>£1</td>
<td>1,000</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>O</td>
<td>£1</td>
<td>1,000</td>
<td>180</td>
<td>180</td>
</tr>
</tbody>
</table>

Debentures issued: 791, 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 2015</th>
<th>31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>£1,200</td>
<td>9,100</td>
<td>10,910</td>
<td>10,910</td>
</tr>
<tr>
<td>B</td>
<td>£2,200</td>
<td>7,900</td>
<td>17,380</td>
<td>17,380</td>
</tr>
<tr>
<td>C</td>
<td>£3,500</td>
<td>1,000</td>
<td>3,500</td>
<td>3,500</td>
</tr>
<tr>
<td>Thistle</td>
<td>£9,900</td>
<td>500</td>
<td>1,861</td>
<td>1,861</td>
</tr>
</tbody>
</table>

Debentures issued: 18,180, 18,180

Issue Costs:
- Opening: £2,191
- Amortisation: £82
- Closing: £2,191

Net Issue Proceeds less amortisation: £31,542, £31,460

The Murrayfield Debentures are unsecured, rank pari passu and are interest free. Repayment, if at all, 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.

13. Irredeemable Debentures

The 972 (2014 - 972) Debentures of £100 each (the 1925 Debentures) entitle the holder to purchase two tickets at BT Murrayfield for each match directly controlled by the Union. The debentures are interest free.

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>Land &amp; Buildings - Expiring within 2 to 5 years</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Plant &amp; Machinery - Expiring within 2 to 5 years</td>
<td>305</td>
<td>305</td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>10</td>
</tr>
</tbody>
</table>

Total: £320, £315
15. General Reserve

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>(8,976)</td>
<td>(9,838)</td>
</tr>
<tr>
<td>Closing</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td></td>
<td>(8,954)</td>
<td>(8,978)</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 May 2015</th>
<th>Period ended 31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Operating surplus</td>
<td>580</td>
<td>1,562</td>
</tr>
<tr>
<td>Depreciation charge</td>
<td>1,053</td>
<td>1,257</td>
</tr>
<tr>
<td>Amortisation of deferred income</td>
<td>(137)</td>
<td>(148)</td>
</tr>
<tr>
<td>Tenant club residual fund</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Movement in debtors</td>
<td>(560)</td>
<td>363</td>
</tr>
<tr>
<td>Movement in creditors</td>
<td>1,063</td>
<td>1,355</td>
</tr>
<tr>
<td></td>
<td>1,999</td>
<td>4,391</td>
</tr>
</tbody>
</table>

17. Analysis of changes in net debt

<table>
<thead>
<tr>
<th></th>
<th>31 May 2014</th>
<th>Cash Flows</th>
<th>Other Changes</th>
<th>31 May 2015</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>5</td>
<td>3</td>
<td>-</td>
<td>80</td>
<td>5</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Bank</td>
<td>404</td>
<td>(2,476)</td>
<td>-</td>
<td>(2,072)</td>
<td>404</td>
<td>(2,476)</td>
<td>(2,072)</td>
</tr>
<tr>
<td>Bank loans</td>
<td>(8,250)</td>
<td>2,250</td>
<td>-</td>
<td>(6,000)</td>
<td>(8,250)</td>
<td>2,250</td>
<td>(6,000)</td>
</tr>
<tr>
<td>Finance Leases due within one year</td>
<td>(3)</td>
<td>4</td>
<td>(4)</td>
<td>(5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Leases due after one year</td>
<td>(7)</td>
<td>4</td>
<td>(3)</td>
<td>(3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Irredeemable Debentures</td>
<td>(97)</td>
<td>-</td>
<td>-</td>
<td>(97)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Murrayfield Debentures</td>
<td>(31,460)</td>
<td>-</td>
<td>(82)</td>
<td>(31,542)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ten Year Debentures</td>
<td>(1)</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>(1)</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td></td>
<td>(39,411)</td>
<td>(219)</td>
<td>(82)</td>
<td>(39,712)</td>
<td>39,411</td>
<td>(219)</td>
<td>(82)</td>
</tr>
</tbody>
</table>

18. Related Party Transactions

Two of the directors of Scottish Rugby Union plc, Mike Monro and Ian Rankin, were also trustees of the Murrayfield Centenary Fund during the year. Scottish Rugby Union plc does not charge the charity for any administrative or other support that it provides and made no donation to it in the current year or previous period.

During the course of the year, £16k (2014: £9k) of ad hoc grounds and facility services were purchased from WH&LR Barr, a firm whose managing partner, Ian Barr, is a Director of Scottish Rugby Union plc. At the year end £nil (2014: £2k) was outstanding. Fergus Neil, a director of Scottish Rugby Union plc acts as a referee performance reviewer for domestic, EPCR and Pro12 fixtures, on behalf of Scottish Rugby. The fee payable to Mr Neil for this service in the year was £1,125 (2014: £1,500).

19. 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.
Commentary on the Financial Statements

This section provides a general commentary on the income and expenditure categories for the year ended 31 May 2015.

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 period 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 World Rugby, sportScotland and the Cashback for Communities programme. Turnover also includes income from the European Rugby Cup and the Guinness Pro12 League, and from other events held in BT Murrayfield Stadium including dinners, business conferences, concerts, football matches and Christmas party nights.

International and Professional Rugby

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

Domestic and Performance Rugby

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

The investment in The BT Sport Scottish Rugby Academy in 2014/15 is included in this category. Costs include coaching, facilities, programmes and players, kit, equipment and match costs. Specialist coaching costs are included here, as are analysis and other rugby operational support costs. This area also includes investment in the BT Murrayfield Stadium.

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 and the delivery of this programme is part-funded by sportScotland. Also included are the costs of the Grassroots 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.

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.

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

Commercial & Operational

Commercial and Operational costs cover various areas of activity in Scottish Rugby. The running costs of the national stadium are included and these range from pitch repair and preparation to roof and other stadium maintenance, from security to 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 Sustainability Fund 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 academy 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.

Registered Office
BT Murrayfield Stadium
Edinburgh, EH12 5PJ

Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Level 4, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX

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

Sollicitors
Pinsent Masons
Princes Exchange
1 Earl Grey Street, Edinburgh, EH3 9AQ
Thank you to Scottish Rugby’s Partners

Principal Partners

Official Partners

Glasgow 7s Partners