



PRESERVING THE PAST | RECORDING THE PRESENT | INFORMING THE FUTURE

ANNUAL REPORT AND ACCOUNTS 2013 - 2014

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ENDED 31 MARCH 2014** 39

Laid before the Scottish Parliament,
November 2014

SG/2014/97



The National Records of Scotland has a diverse community of stakeholders and plays a central role in the cultural, social and economic life of Scotland.

ABOUT US

National Records of Scotland (NRS) is a Non-Ministerial Department (NMD) within the Scottish Administration (but is not an integral part of the Scottish Government). It is headed by a Chief Executive who fulfils the role of two non-ministerial office-holders, the Registrar General for Scotland and the Keeper of the Records of Scotland. It was established on 1 April 2011, following the amalgamation of the General Register Office for Scotland (GROS) and the National Archives of Scotland (NAS).

BASIS OF ACCOUNTS

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, our accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual, which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006, to the extent that it is meaningful and appropriate in the public sector context.

The [accounts direction](#) is reproduced in the Accounts section.

OUR BUSINESS

National Records of Scotland performs the registration and statistical functions of the Registrar General for Scotland and the archival functions of the Keeper of the Records of Scotland, including maintaining the archives as one of Scotland's five National Collections, and the leadership role for Scottish archive and record professionals.

We hold records spanning the twelfth to the twenty-first centuries, touching on virtually every aspect of Scottish life. We are the repository for the public and legal records of Scotland but we also have many local and private archives. We hold and make available one of the most varied collections of records in Britain.

We administer the registration of life events such as births, deaths, marriages, civil partnerships, divorces and adoptions. We are also responsible for the statutes relating to the formalities of marriage and the conduct of civil marriage.

We take the census of Scotland's population every ten years and prepare and publish regular demographic and other statistics for central and local government, for medical research and for the private sector.

The Public Records (Scotland) Act 2011 came into force on 1 January 2013 and this year reflects a number of key successes for the legislation. The Act sets some stiff challenges both for the Keeper and the 250 named public authorities scheduled under it. The aim is to improve record keeping across the public sector.

RISKS AND UNCERTAINTIES

We continue to operate in an environment of considerable reductions in public spending. To ensure that we continue to work towards our strategic objectives, by making wise use of our available resources while maintaining professional standards, we published a Corporate Plan 2013-15 which included a clear set of priorities for 2013-15. The plan also included the business priorities we would work towards during 2013-14. These priorities ensure that we continue to work towards the aims of the 2022 Strategy.

FINANCIAL PERFORMANCE

The results for the year record a Net Resource Outturn of £19,316K, compared to the Resource Budget of £19,789K, which includes £800K of indirect capital (capital grant). The resulting underspend of £473K was relatively small (2.4%) and arose mainly from increased levels of income (£196K) and underspends within accommodation (£128K), depreciation (£70K) and staff costs (£57K).

Direct capital expenditure was £557K compared with budget of £770K. This underspend (£193K) mainly arose through some slippage within our Information and Communications Technology (ICT) and Accommodation projects.

Further information on our performance can be found in the [Foreword to the Accounts](#) and the Annual Report, and where appropriate includes any trends and other factors likely to affect future development, performance and position of our business.

SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL POLICY

As part of our Carbon Management Plan, we are working to reduce carbon emissions by 20% by April 2016 against the carbon emissions recorded for the baseline year of 2010-11. To achieve this we have been concentrating on the following areas:

- Reducing consumption of energy, water, paper and other resources
- Waste management
- Business travel
- Sustainable procurement

Further detail is available on page 25 of the Annual Report

SOCIAL, COMMUNITY AND HUMAN RIGHTS

The National Records of Scotland has a wide and diverse community of stakeholders and plays a central role in the cultural, social and economic life of Scotland, supporting several of the Scottish Government's key National Outcomes and measuring its Population Purpose Target.

Census and Demographic Statistics collected by us are used by all sectors of local and central government through areas such as service planning, transport, housing, equalities monitoring, Single Outcome Agreements and when complying with the specific duties within the Public Sector Equality Duty.

By law we keep personal census details confidential for 100 years. The [1920 Census Act](#) made it a criminal offence to unlawfully disclose confidential census information. The [Census \(Confidentiality\) Act 1991](#) extended this to people and businesses working as part of the census.

The Government Records we hold are important as they record the origins of individual rights and obligations and provide accountability and transparency to the citizen. Collection of these records is expected to reflect changes in Scottish economic, political and cultural life, wider Scottish society, and the changing nature and structure of the Scottish Government itself.

STRATEGIC AND BUSINESS MODEL

In 2012, we published a [Strategy](#) which included our Vision for the organisation by 2022. For 2013-14, we identified four strategic priorities which will be essential to deliver if we are to meet our objectives. These are strategic, so will not necessarily be delivered in year, however, they will be used to support decisions on allocation of resource and to help us to prepare plans for 2014-15 and beyond.

Our operating budget was reduced year-on-year across the 2012-15 period, following the Spending Review in 2011. This was sustainable due to the planned downturn in census activities. However, the 2014-15 Draft Budget which addressed a one-year (2015-16) extension to the budgets set at the 2011 Spending Review saw our 2015-16 budget baseline reflect a similar level for the preceding year. Following ministerial

approval, additional census funding has been approved to increase to support the delivery of 2021 Census work and to progress a joint data-linkage programme with other public sector partners.

We follow Scottish Government guidance regarding future pay increases. Inflationary pay increases have been set at 1% for 2014-15 and staff pay will increase by the annual progression steps that are set out within the current pay scheme.

We believe that ministerial approval of future funding will be forthcoming and so it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

OUR STAFF

We have 407 members of staff. The Senior Management Team (SMT) comprises eight members (including the Chief Executive). Only one member of the SMT is in the Senior Civil Service, but all members of the Team are included in the statistics below.

Staff Information	2013-14	2012-13
Staff (whole time equivalent)	407	405
Staff turnover	18.4%	15.6%
Sick absence/person	7.8 days	8.3 days
Male/Female staff %	51/49%	52/48%
Male/Female Board members % (Management Board)	45/55%	36/64%
Male/Female Senior Management %	33/67%	25/75%

Further information on staffing and Board membership is available in the [Notes to the Accounts](#).

EFFICIENCY SAVINGS

We achieved our efficiency target of 3% for 2013-14. This equated to £626K, and savings arose from ICT and Procurement.

PENSIONS

As part of the SG, our staff are members of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is an unfunded multi-employer defined benefit scheme. The PCSPS is unable to identify the Scottish share of the underlying assets and liabilities. Further information is available in note 2 of the Accounts.

Audrey Finch-Robertson

Accountable Officer
28 October 2014

WELCOME FROM
THE CHIEF
EXECUTIVE



This is the third Annual Report and Accounts for National Records of Scotland (NRS). In them we report on key business objectives identified from our strategic plans, on how we used our budget and on key achievements for 2013-14.

This has been another busy year for us with high levels of activity across the organisation. Our work underpins so much of the fabric of life in Scotland, from the registration of births, marriages and deaths, to gathering and disseminating statistical data that inform government policy and spending decisions, and the preservation of Scotland's story through the archives, for the benefit of both current and future generations.

Over the past year we have taken in more records to our archives, increased the range and volume of historical information available digitally, welcomed more visitors to our family history service (both online and in person), and published large amounts of statistical data, including regular releases of information from the census in 2011. We have continued to implement important new and recent legislation on Public Records, on Marriage and Civil Partnership, and on Certification of Death.

We have undertaken a great deal of planning and preparation work for 2014 when Scotland welcomes the world to join in the Year of Homecoming. We are also involved in projects to commemorate the centenary of the start of the First World War, including making soldiers' wills available online, poignant reminders of the ordinary people whose lives were touched by tragedy and loss. 2014 also marks 70 years since the D Day landings and again, we have in our collections interesting papers relating to that crucial event in the Second World War. Going back further into our history, we have prepared, in collaboration with Historic Scotland, an exhibition at Stirling Castle showcasing original letters relating to Robert the Bruce and William Wallace.

Internally we have undertaken a number of change initiatives with a focus on continuous improvement of the work we do and the services we offer. We began a review of our estate – looking at our medium- to long-term needs in terms of accommodation for staff and equipment as well as our storage requirements. The review is due to complete in

WELCOME FROM
THE CHIEF
EXECUTIVE

summer 2014. We are continuing to move forward with our IT project to merge all staff from the current two systems into one, improving internal communications and modernising our infrastructure. And we have started work to develop and implement a Management of Portfolios approach to capturing the programmes, projects and core business underway across the organisation, and to understanding and prioritising them and the resources they require.

Over the coming years we will look to extend our reach and impact still further, with an emphasis on digital services, on customer excellence and on enhancing access to our rich store of information about Scotland's people and history. We will take forward planning for the next census in 2021, which Scottish Ministers have agreed will be delivered for the first time primarily by digital means, we will seek external validation of the quality of our archival services, and we will finalise and implement a digital preservation strategy. We will continue to develop our professional expertise and experience, and use this in collaboration and partnership with others to deliver and improve the services that we offer to the people of Scotland.

Tim Ellis
Chief Executive
28 October 2014

REVIEW OF THE YEAR

PRESERVING THE NATION'S RECORDS



Certificate, in French, of oath taken by John Hamilton as equerry to Mary Queen of Scots, taken at Carlisle on 22 June 1568. It shows the Queen re-establishing her Household shortly after her arrival in England. (Ref: E107/106)

Preserving the nation's records

NEW ADDITIONS TO OUR COLLECTIONS

Court records constitute the largest single group of records that we hold. During the year, new additions of records from eight sheriff courts, including Aberdeen, Cupar, Dumfries, Edinburgh, Greenock, Inverness, Perth and Rothesay arrived. After consideration, a total of 216 metres of records passed to our care, were reduced to 84 metres. Similarly, major deposits of records were taken in from the High Court (70 metres), the Court of Session (120 metres), the Crown Office and Procurator Fiscal Service (135 metres) and the Land Court (40 metres).

We also continue to receive large numbers of records from the Met Office. We have now received over 9,000 individual records showing detailed climate data for all areas of Scotland. As public interest in climate and global warming increases, we anticipate growing use of this important records series in the future.

CATALOGUING HIGHLIGHTS

Archives frequently identify documents that were previously unknown or have great significance. One such discovery this year was an early document concerning Mary Queen of Scots. It is a certificate, written in French, by Sir James Hamilton, master of the Queen's Household, taking the oath of John Hamilton as equerry of the Queen's stable. It was given at Carlisle in England on 22 June 1568. Its significance is that it shows the Queen setting up her Household in exile barely a month after she and her followers had fled from Scotland following their defeat at Langside.

The document was identified by Dr Athol Murray, retired Keeper of the Records of Scotland. It was found amongst previously uncatalogued papers of the pre-1707 Scottish Exchequer, a collection on which Dr Murray has worked for many years. Dr Murray's discovery also reflects a remarkable personal milestone, one which is unlikely to be repeated. This year saw the sixtieth anniversary of his continuous professional association with us and our predecessor bodies – the National Archives of Scotland (NAS) and the Scottish Record Office (SRO). Dr Murray joined SRO in November 1953 aged 23 and became Keeper in 1985. His career was marked by his scholarship, his dedication to the Office of Keeper, and overseeing significant changes that laid the foundations for many key future developments, including the construction of Thomas Thomson House. Dr Murray's dedication to the NRS continues to this day as he regularly visits us as a volunteer, working tirelessly on the records of the Scottish Exchequer about which he is an acknowledged expert.

REVIEW OF
THE YEAR
PRESERVING THE
NATION'S RECORDS

We also catalogued a large body of new church records during 2013-14. Many were for the Church of Scotland, including over 300 volumes and files from various churches in Paisley, 1769 to 2011, as well as many for the Methodist Church. Work continued on the cataloguing of the archive of the North British Railways Study Group (ref: GD536), a fascinating collection of records relating to the Scottish railways in the years before and during nationalisation. Our work on improving the existing catalogue of the Moray of Abercairney papers (ref: GD24) was very well advanced. The archive of a landed family based in the shires of Perth and Stirling, has been in our care for many years but this revision work has revealed significant new Jacobite material. Our work contributing to the Mary Queen of Scots exhibition at the National Museum of Scotland led to the revision of some older catalogue entries for the Leven and Melville papers (ref: GD26) and to some further discoveries about Mary's Court in the Exchequer records.

We also produced new catalogues for Admiralty Court Decrees in Absence, 1702–1830 and for processes in the Commissary Courts of Argyll and the Isles 1670s–1790s.

THE NATIONAL REGISTER OF ARCHIVES FOR SCOTLAND (NRAS)
The National Register of Archives for Scotland (NRAS) founded in 1946, is the part of the National Records of Scotland which locates and surveys historical papers held in private hands in Scotland, advises owners on their care and preservation and makes information about them available to researchers.

During the year NRAS continued to liaise with Her Majesty's Revenue and Customs (HMRC) Heritage Division regarding conditional exemption undertakings, including public access, for two major archives held privately in Scotland. This also involved discussions with The National Archives at Kew.

The Registrar serves on the Business Archives Council for Scotland (BACS) and its implementation group of the National Strategy for Business Archives in Scotland. Through this the NRAS contributed to the Working Archive exhibition held at General Register House, part of a year-long campaign to highlight business archives and what archivists are doing to save them and make them accessible. The Cabinet Secretary, Fiona Hyslop MSP, visited the exhibition and spoke to members of the implementation group in June. Politicians at the Scottish Parliament were also invited to learn more about Scotland's business archival heritage when the NRAS and others from BACS took part in Scottish Archives Week in early October.

REVIEW OF
THE YEAR
PRESERVING THE
NATION'S RECORDS

FILE RELEASES

In January 2014 around 750 government files were released by Scottish Ministers to the public which would previously have remained closed for 30 years. This is part of the initiative to pro-actively release historical information in government files under the Freedom of Information (Scotland) Act 2002 (FOISA) up to 15 years earlier than before. The process started back in September 2009 and since then we have released over 13,000 files for records covering the period 1979 to 1998.

Files released in January date from 1998 and include information about proposals for the Scotland Act, which set up a devolved Scottish Parliament following the Devolution Referendum held the previous year. Other files covered topics as diverse as the introduction of the 'Higher Still' exams, rural development in Scotland, concerns over the use of the measles, mumps and rubella (MMR) vaccine for children, and proposals to improve transport links from Edinburgh Airport to the Scottish Parliament. Files from earlier years were also included in this year's release on subjects such as the privatisation of the coal and electricity industries in Scotland during the 1980s and 1990s.

These annual file releases are for 'closed' files which were transferred to us before FOISA came into force in 2005. Since then, we have received many more government files which are already open to public inspection. Details of open files can be found by searching our online catalogue, available from our website, and these files will complement many of those released in January.

The policy of releasing historical information after 15 years was formalised by the introduction of Freedom of Information (Scotland) Act 2002 (Historical Periods) Order 2013, which came into force on 1 April 2014. The Order formally reduces the lifespan of several exemptions from 30 to 15 years, making more information available sooner to the public.

WELLCOME TRUST FUNDING

This year saw our first successful application for funding to The Wellcome Trust. A small grant was approved in January 2014 to fund a scoping study to investigate the suitability of three archive collections, one from the period of the First World War, for possible future cataloguing and research access under The Wellcome Trust's criteria. Work was undertaken by two approved consultants, an archivist and conservator, in February 2014. Following the submission of reports in March 2014, the consultants confirmed that the three collections were considered appropriate and we are assessing them further to determine how to take those projects forward.



REVIEW OF
THE YEAR
PRESERVING THE
NATION'S RECORDS

STORAGE AND ACCOMMODATION

Storage space is a premium asset and our staff worked through the year to rationalise accommodation usage.

With the agreement of the Accountant in Bankruptcy and the Accountant of Court, we destroyed over 1000 metres of records identified as being of no historical value. This freed storage space to accommodate new record groups deposited as a consequence of renewed client activity due to the Public Records (Scotland) Act 2011.

A major piece of work during the year was the clearance of our storage facility at Station Road to enable the sale of the building. We acquired this building in the 1960s and used it for storing records dating back to the nineteenth century as well as a general store for office furniture and equipment. Staff from across the organisation worked together to clear the Station Road store. Conservation staff ensured that all records were identified, packaged and transported safely to their new home, and Estates staff cleared out general items which had accumulated over the past fifty years. As a result, we were able to donate a large number of items of surplus equipment to a several charities both in the UK and overseas.

REVIEW OF
THE YEAR
PROMOTING
IMPROVEMENTS



The Public Records (Scotland) Act 2011 came into force on 1 January 2013 and this year reflects a number of key successes for the legislation.

Promoting Improvements

PUBLIC RECORDS (SCOTLAND) ACT 2011

The Act sets some stiff challenges both for the Keeper and the 250 named public authorities scheduled under it. The aim is to improve record keeping across the public sector. It requires the Keeper to invite public authorities to submit Records Management Plans (RMPs), for agreement. It requires authorities to then prepare and submit their RMPs for the Keeper's assessment and implement them.

Of course, we have to have our own RMP and in January 2013, our assessment team submitted a formal invitation for a joint records management plan to The Keeper of the Records of Scotland and the Registrar General for Scotland. These two public authorities named under the Act cover records created under the umbrella organisation of National Records of Scotland. The plan was submitted to the team in April and approved in July 2013, the first such plan to be approved under the new Act. This plan is available from our website.

It will take us 5 years to complete the invitation process averaging around 50 invitations a year and we are on target to achieving this, with invitations submitted to 67 public authorities last year and the agreement of 23 separate RMPs.

Active engagement with authorities is key to our success. To that end we ran a series of surgeries across Scotland during the spring and autumn of 2013, ranging from as far afield as Kirkwall in the north, to Ayr in the south. A total of 127 separate authorities were represented at these events and feedback was very positive. By ensuring that they were not conducted exclusively in the central belt, the assessment team were seen as visible and approachable. Feedback received and taken on board ensured that procedural changes were made both to the assessment process and the format of future surgeries in 2014.

REVIEW OF
THE YEAR
PROMOTING
IMPROVEMENTS



Bruno Longmore and Pete Wadley accept the IRMS Records Management Team of the Year Award 2013, on behalf of the PRSA team, from Meic Pierce Owen, IRMS (Image courtesy of the UK Information and Records Management Society).

We also held the first post-implementation conference 'Getting Our Act Together' at The City Halls, Glasgow on 3 December 2013. The conference was run in partnership, with the Scottish Council on Archives, the Information and Records Management Society, Archivists of Scottish Local Authorities Working Group, and the Archives and Records Association.

Our assessment team received the Records Management Team of the Year Award 2013 from the Information and Records Management Society (IRMS). This prestigious UK award is one of only four awards given out annually by the IRMS which is the foremost professional association for those who work in or are concerned with records or information management in the United Kingdom.

REVIEW OF
THE YEAR
WORKING WITH
OTHERS



The Scottish Council on Archives (SCA) worked with stakeholders across the sector to devise and present a three-day exhibition in the Member's Lobby of the Scottish Parliament from 8-10 October 2013.

Working with Others

CELEBRATING SCOTLAND'S ARCHIVES

The exhibition focused on the following three themes: 1) Ancestral Tourism, 2) Business Archives and 3) Digital Continuity and Preservation. These themes were illustrated by documents from the national archive collection. The purpose of the event was to deliver a clear message: Scottish archives are the documented national memory, a unique heritage asset of unparalleled richness, depth and extent; the archives sector has a vibrant open culture that encourages wider use, exploration, learning, partnerships and innovation. The exhibition also provided an opportunity for key representatives from the sector to engage directly with MSPs about the role and contribution of the sector in Scotland, and beyond.



View of a display cabinet from the exhibition in the Scottish Parliament, October 2013.

National Records of Scotland, the Archives and Records Association and the Business Archives Council Scotland, along with other stakeholders, worked together to produce the exhibition.

FORTH RAIL BRIDGE AND THE UNESCO WORLD HERITAGE LIST

We are supporting the nomination of the Forth Rail Bridge for inclusion in the United Nations Educational, Scientific and Cultural Organisation (UNESCO) World Heritage List of properties – those properties considered by the World Heritage Committee as having outstanding universal value. Working with colleagues in Historic Scotland and the Centre for Digital Documentation and Visualisation (CDDV), we have been supplying collection knowledge, expertise and high resolution images from our British Rail record series Br/FOR to enhance an animation presented to project sponsors Network Rail and Transport Scotland. A final decision will be made in 2015.



View from Hawes Pier of south approach railway viaduct and Queensferry pier in foreground, Inchgarvie and Fife piers in background, 1889 (Ref. BR/FOR/4/34/164).

REVIEW OF
THE YEAR
DEVELOPING
EXPERTISE



Each year we host a gathering of new postgraduates from Scottish universities to give them a basic introduction to archives and archive services in Scotland.

Developing Expertise

POSTGRADUATE TRAINING VISITS TO EDINBURGH REPOSITORIES

This year's event was held in March 2014 and students came from the universities of Aberdeen, Edinburgh, Glasgow, the Highlands and Strathclyde. As well as our own staff, speakers came from The National Library of Scotland, the Royal Commission on the Ancient and Historic Monuments of Scotland, and Dundee City Archives.

SCOTTISH GOVERNMENT GRADUATE INTERNSHIP

In February, an Edinburgh University law graduate joined us as an intern, part of a Scottish Government pilot scheme to help graduates gain interesting and valuable work experience. Her legal training helped her play a key role in drafting guidance on the meaning of 'proper arrangements' under the Public Records (Scotland) Act 2011 (PRSA) and she assisted the PRSA assessment team at 'surgeries' around Scotland. Our intern has also been working on the cataloguing of High Court precognitions. Her work has clearly benefited us and demonstrated the potential wider value of the scheme.

SCOTTISH SEALS

In May 2013 we hosted a visit from Dr Elizabeth New, the project manager of the Seals in Medieval Wales project (SiMeW), based at Aberystwyth University and funded by the Arts & Humanities Research Council (AHRC). The project examined over 3,000 seals from archival collections in Wales and the Marches from the period 1200 to 1550 in order to explore and shed light on Medieval society:

<http://www.aber.ac.uk/en/history/research-projects/seals/>.

Dr New examined a variety of seals from our collections during her visit. Dr New and Alan Borthwick also gave well-received talks on Scottish seals to colleagues, Historic Scotland and invited guests (including archivists, historians and private researchers).

REVIEW OF
THE YEAR
PRODUCING
STATISTICS



2013-14 was a busy year for Scotland's Census. There were a further six releases of census data with increasing detail becoming available as each release took place.

Producing Statistics

DEMOGRAPHIC STATISTICS

We publish a wealth of statistical information and data about the people of Scotland. During 2013-14, we produced over 40 publications covering a range of topics:

- [Population](#)
- [Households](#)
- [Migration](#)
- [Vital Events \(Births, Deaths & Marriages\)](#)
- [Life Expectancy](#)
- [Electoral Statistics](#)

These publications are available from our website. The main results from these publications are summarised in our statistical annual report: ['Scotland's Population 2012: The Registrar General's Annual Review of Demographic Trends'](#)

SCOTLAND'S CENSUS 2011

2013-14 was a busy year for Scotland's Census. There were a further six releases of census data with increasing detail becoming available as each release took place.

Release 1C was published in two parts in July and August 2013. This consisted of unrounded estimates of the population broken down by age and sex, along with a total population estimate for a range of geographic areas.

REVIEW OF
THE YEAR
PRODUCING
STATISTICS

Release 2 was published as a number of sub-releases between September 2013 and December 2013 and comprised Key and Quick Statistics tables for the following topics:

- Ethnicity, Identity, Language and Religion
- Population and Households
- Health
- Labour Market
- Education
- Housing and Accommodation
- Transport

These were published at all levels of census geography and have been made available on the 'Census Data Explorer' (launched in October on the [Scotland's Census](#) website) – our key tool for providing the results of the census to users.

Releases 3A and 3B were published in February and March 2014 respectively and provided the first sub-sets of Detailed Characteristics tables from the Ethnicity, Identity, Language and Religion topics.

The results so far have shown that on 27 March 2011 Scotland's population was at its highest ever level at 5,295,403. It is an ageing population, where there are more women than men (51.5% to 48.5% respectively) and there were more single person households than any other household size.

There is more ethnic and religious diversity across Scotland. We have more people living in Scotland who were born outside of the UK than ever before and we are using an increasing number of languages.

REVIEW OF
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PRODUCING
STATISTICS

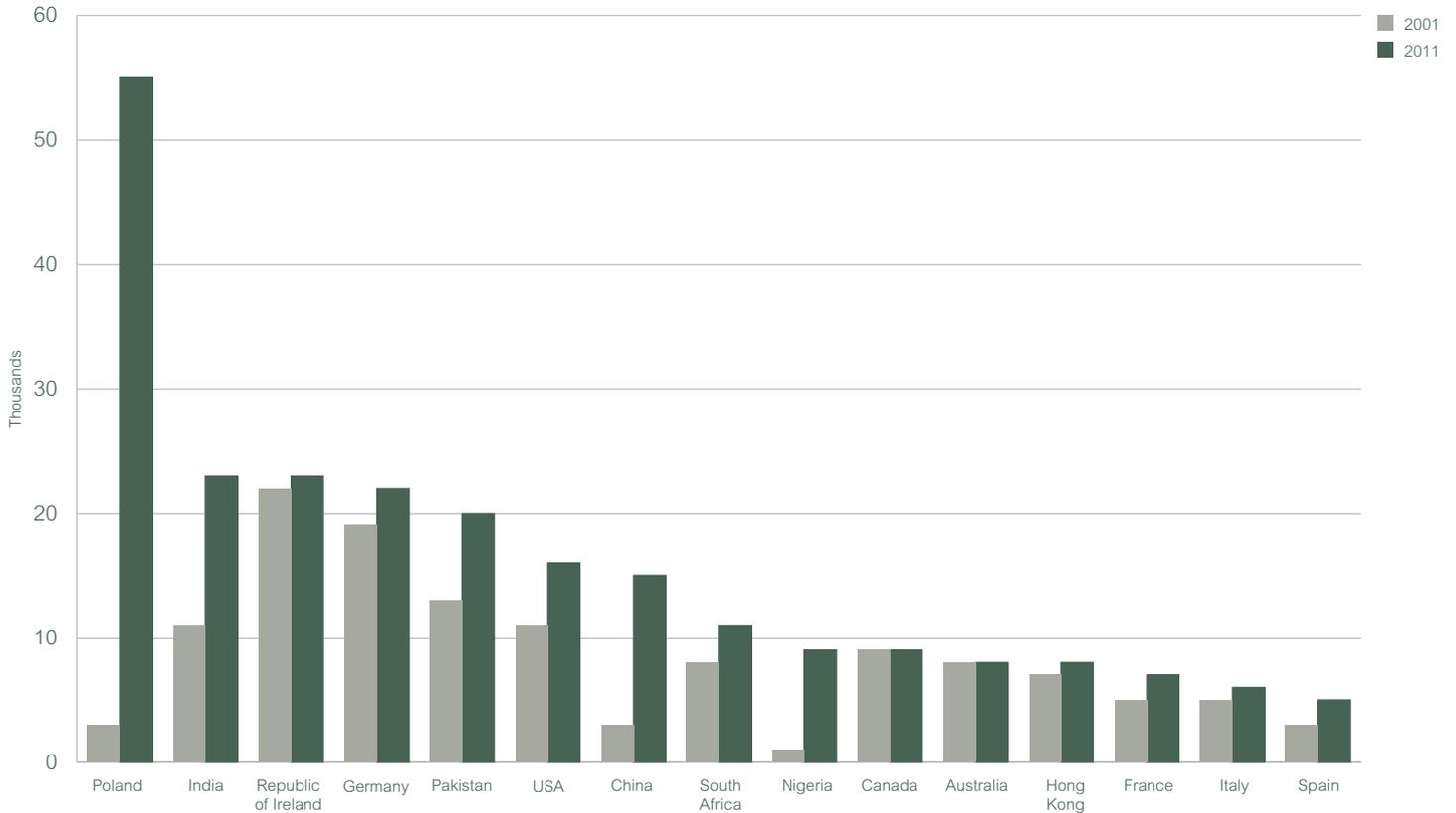


Chart showing most reported countries of birth outside the UK, Scotland, 2001 and 2011. (Source: NRS Census Data)

For the first time national identity was captured in the census. Eighty-three per cent of the population of Scotland felt they had some Scottish national identity. Sixty-two per cent of people felt Scottish only, 18% felt both Scottish and British and 2% felt they were Scottish in combination with some other identity.

REVIEW OF
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STATISTICS

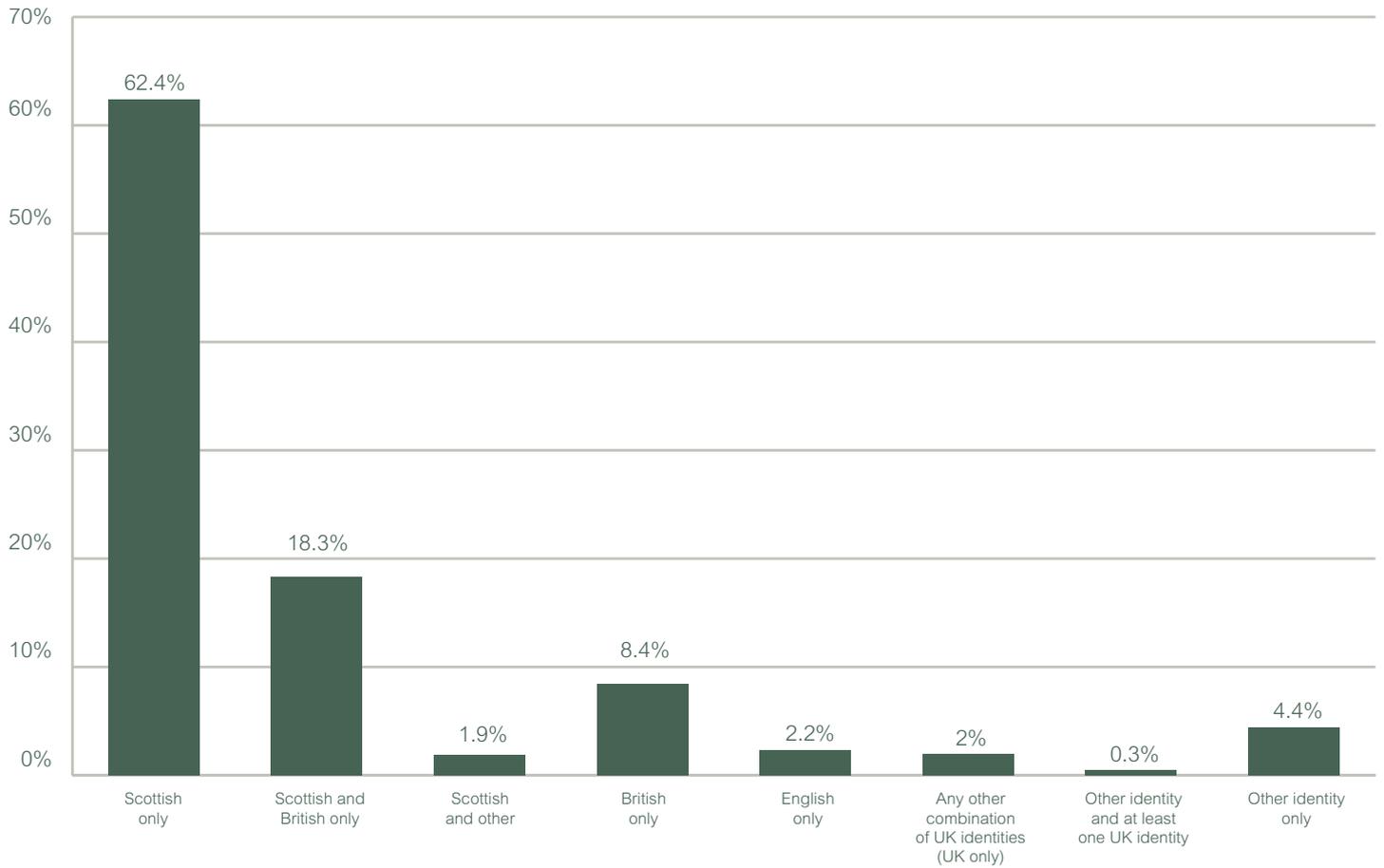


Chart showing the national identity of those living in Scotland, 2011. (Source: NRS Census Data)

REVIEW OF
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STATISTICS

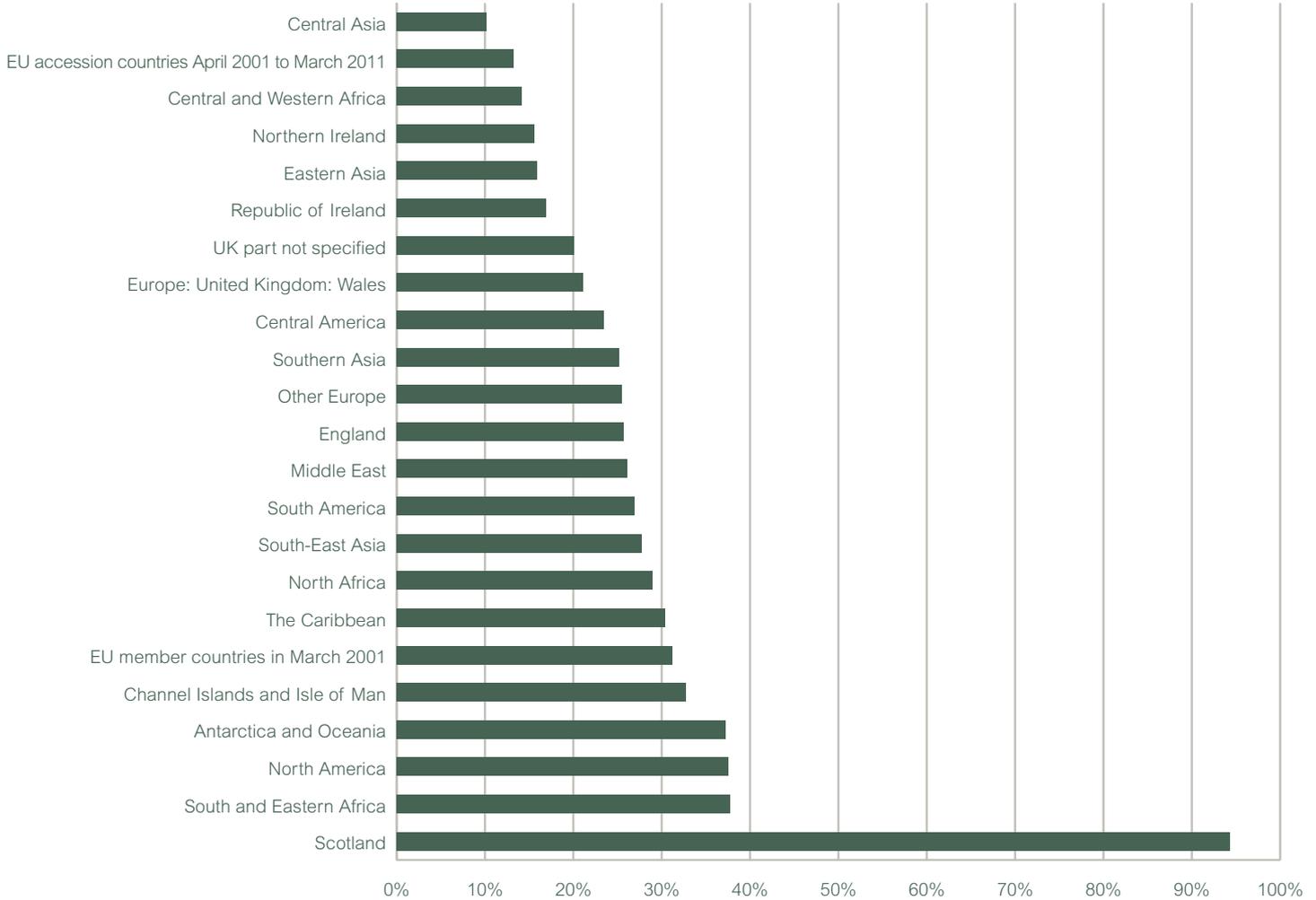


Chart showing the proportion of the population with some Scottish national identity by Country of Birth. (Source: NRS Census Data)

In December, the Scottish Parliament held a debate on the results of the 2011 Census in Scotland. There was strong cross-party support for the census and a strong endorsement of the continued relevance and importance of the unique results.

We continue to work on promoting the use of the results of the 2011 Census while maintaining our commitment to confidentiality. We also remain committed to engaging with stakeholders to raise awareness and maximise use of census results.

Further releases of results will follow throughout 2014 and can be found on the Scotland's Census website (www.scotlandscensus.gov.uk).



REVIEW OF
THE YEAR
PRODUCING
STATISTICS

CENSUS 2021

The system for providing population and socio-demographic statistics for the UK has, like many other countries, been built around a census of the whole population. The Beyond 2011 programme in Scotland was established to research and propose suitable methods for producing population and socio-demographic information in the future, whether via further full censuses or otherwise. The programme closed in March 2014 following a recommendation to begin planning for a census in 2021, which will be primarily online, while offering alternative modes of completion where necessary.

The decision to focus plans on a census in 2021 in Scotland was based on a variety of evidence, including results from research, stakeholder engagement, user consultation and international experience. A final decision will be taken on the basis of the business case.

We will continue a programme of consultation and engagement to understand user requirements and shape the design of the 2021 Census. Further research will be carried out to enable greater use of administrative data and surveys in the future.



Jack and Sophie were the most popular baby names in 2013, according to statistics which we published on 19 December 2013.

Babies' Names

(registered in the first 11 months of 2013)

- Jack was the top boys' name for a sixth consecutive year, and Sophie was the most popular girls' name for the ninth year in a row.
- James became the second most popular boys' name for the first time in this century. From 1999 to 2012, Jack and Lewis were the top two boys' names, with Jack at number one (and Lewis second) in ten of those 14 years, and Lewis top (and Jack second) in the other four – but, in 2013, James was second, and Lewis dropped to third.
- Oliver rose six places to fourth, and Daniel was up one at fifth. There were two new entrants to the boys' top ten: Lucas (up 12 places to eighth) and Charlie (up two places to tenth). Logan (sixth), Alexander (seventh) and Harry (ninth) make up the rest of the boys' top ten.
- Olivia climbed two places to become the second most popular girls' name in this year's list, just nine behind Sophie in numbers. Emily fell from second to third, and Isla rose from sixth to fourth.
- There were two new entrants to the girls' top ten: Ella (up 16 places to eighth) and Millie (up one place to tenth). Lucy, Ava and Jessica were fifth, sixth and seventh, respectively, Ava having fallen from third. Amelia remained ninth.
- We registered the births of around 26,700 boys and 25,200 girls in the first 11 months of 2013. The top fifty boys' first names accounted for 42% of all those registered and the top fifty girls' first names accounted for 40% of the registrations. Jack was the first name of just 2.1% of the boys, and Sophie was the first name of only 1.9% of the girls.
- Parents chose over 7,400 different first forenames for their children and around 4,800 of these were unique (in the first 11 months of 2013).

REVIEW OF
THE YEAR
PROMOTING OUR
RECORDS



Visits to our Education Website –
Scottish Archives for Schools – have
doubled over the last 12 months.

Promoting our Records

SOCIAL MEDIA

We are keen to use social media to reach our customers and raise awareness of our organisation to new audiences. We launched our very own Twitter account in July 2013 (follow us @NatRecordsScot) and have used this account to tell people about our work throughout the year – tweeting about our statistical publications, exhibitions, collections and education work among other things. We look forward to extending our use of social media in the future.

GENEALOGICAL AND HISTORICAL RESEARCH

We welcomed 17,741 people to the ScotlandsPeople Centre search rooms either during the day or for evening visits during the year. We hosted 22 tours of our search rooms and garden areas and delivered 20 genealogical talks attended by a total of 341 people.

There were 9,122 visits to the Historical Search Room, where a total of 59,922 documents were ordered. There were 78,649 legal documents produced in the Legal Search Room where 89% of all orders are now delivered electronically.

[The ScotlandsPeople genealogy website](#) was visited by over 1.47 million people worldwide and we continue to send out monthly newsletters to over 1 million registered customers to keep them informed of genealogy events and matters. Visitors from around the United Kingdom are the largest group of users, followed by Australia and America.

During the year we added the digital images of the 1885, 1895 and 1920 Valuation Rolls to the ScotlandsPeople resources. We produced features focusing on well-known people, such as Samuel Peploe, Neil Munro, Anne Redpath, Sir William Arrol and Dr Sophia Jex-Blake. We also featured country estates, social housing, allotments and ‘tee’ names, and gave insights into Edinburgh Castle, Holyrood Palace, Perth Prison and other landmarks.

REVIEW OF THE YEAR

PROMOTING OUR RECORDS



Mary Queen of Scots and other visitors to the NRS stand at the 'Museum after Hours' event at NMS, 17 August 2013 (Courtesy of National Museums Scotland).

The Highland Archive Family History Centre at Inverness was linked to the ScotlandsPeople network in October 2013. Thus people around Scotland can now access the ScotlandsPeople service at local family history centres located at Glasgow, Kilmarnock, Hawick and Inverness.

Extract Services produced over 52,000 extracts of births, deaths and marriages. Whilst ordering extracts over the internet remains the most popular method, telephone orders remain buoyant.

EDUCATION SERVICES

Visits to our Education Website – [Scottish Archives for Schools](#) – have doubled over the last 12 months from 24,420 to 57,339 unique visits. As 2013 was the Year of Natural Scotland, we launched six new online resources, ranging from the treatment of wolves in fifteenth century Scotland to the Eyemouth fishing disaster of 1881. Other new topics included The Scottish Wars of Independence and King James IV and the Battle of Flodden, 1513.

During this year's Schools Programme, we delivered a total of 60 events, 32 workshops and 28 web conferences via Glow Meet, to 1,430 pupils ranging from P3 – S6. The most popular topics requested were the Scottish Wars of Independence and World War Two: the Scottish Home Front.

Following enquiries from schools interested in researching the names of servicemen on local war memorials, we successfully piloted a new World War One workshop that gives pupils the opportunity to search records of births, deaths and census to find out more about the impact of the Great War on the people of Scotland. This workshop will become part of next year's programme.

EXHIBITIONS AND OUTREACH

We loaned 12 rarely-seen documents relating to the life of Mary Queen of Scots to National Museums of Scotland (NMS) for their major exhibition from 28 June until 17 November 2013, seen by more than 79,000 visitors. We assisted NMS with our curatorial and conservation expertise in selecting and preparing the exhibits we loaned. Our Education Team supported three 'Museum After Hours' events, in which we featured our records on display and gave visitors the opportunity to test their skills in palaeography – reading and writing sixteenth century secretary hand. We also contributed with a lecture at the 'Iconic Queens' event at the close of the exhibition.

REVIEW OF THE YEAR

PROMOTING OUR RECORDS



Fiona Hyslop, Cabinet Secretary for Culture and External Affairs, viewing the 'Scots at Work' exhibition in General Register House.

Working with the Scottish Council on Archives and the Business Archives Council Scotland we created an exhibition in support of The Working Archive campaign celebrating the archive heritage of Scottish businesses. 'Scots at Work' brought together fascinating items on loan from several Scottish archives and museums to illustrate some of Scotland's key industries and businesses.

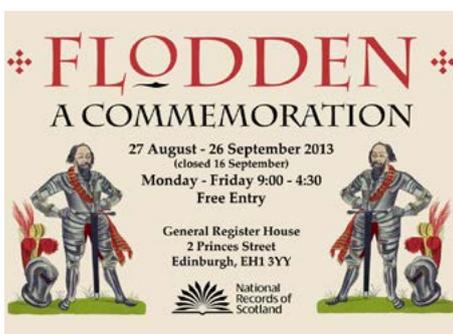
'Flodden: a Commemoration' marked the 500th anniversary of the battle with a display highlighting some of the treasures from our official records, and the poignant will of a laird who died in the battle in 1513.

We mounted two exhibitions in General Register House to support online record releases:

- 'Window on the Past' featured the window tax rolls, 1748-1798, the latest resource added to the ScotlandsPlaces website in July 2013, as well as other taxation records already available. Together they provide a unique snapshot of Scottish society during a period of economic development and the cultural achievements of the Enlightenment.
- 'From Ae to Zetland: Scotland in the Ordnance Survey Name Books' explored the remarkable records of place names that were created as part of the mapping of Scotland in the nineteenth century. The exhibition in December marked the addition of the last county name books to the ScotlandsPlaces website.



Tim Ellis, Chief Executive, holding a Tally stick from the Exchequer records (Ref: E454/43), displayed in the 'Window on the Past' exhibition.



Detail of the poster for the 'Flodden: a Commemoration' exhibition.



REVIEW OF THE YEAR

PROMOTING OUR RECORDS

During the year we participated in several events to promote our services. These included:

- Partnering a stand with VisitScotland and ScotlandsPlaces at the 'Who Do You Think You Are? Live' event at Olympia in February 2014. Over three days 13,124 people attended the show. We provided a self-service area where people were able to view the records themselves, and an 'ask the expert' area where we were able to help people explore their family history further.
- Attending the 50+ show at the SECC in Glasgow in November, which attracted 7,139 visitors, and where again we had the opportunity to help people explore their family history.
- Running genealogical surgeries at Adam House, Edinburgh, and hosting four talks for the Previously History Festival in Edinburgh.
- Offering special sessions for the public to learn about the family history resources we hold. We also delivered talks and workshops – many in higher and further education.

During the year we promoted unique documents from our collections for two BBC Scotland documentary series, 'The Stuarts' and 'Clydebuilt: Ships that Made the Commonwealth'. The latter featured photographs of HMS *Hood* from the Upper Clyde Shipbuilders (UCS) collection, and one of our conservators speaking about them. BBC2's 'Horizon: Living with Autism' focused on an eighteenth century court case we hold that offers an historical perspective on autism.

REVIEW OF
THE YEAR
PROMOTING OUR
RECORDS



The number of visitors to the Tartan Register website increased by 50%, with a total number of 1,675,490 visits and 775,340 unique visitors.



The Wojtek Memorial Trust Tartan (Scottish Register of Tartans #10921).

SCOTTISH REGISTER OF TARTANS

The number of tartans registered on the Scottish Register of Tartans remained steady at just over 200 tartans.

Notable registrations during 2013-14 included the Commonwealth Games 2014 Team Scotland Tartan, the John Muir Way Tartan and the Wojtek Memorial Trust Tartan which commemorates Wojtek the Bear (1942–1963), a Syrian brown bear cub found in Iran and adopted by soldiers of the 22nd Artillery Supply Company of the Polish II Corps.

The records of the Scottish Tartans World Register were deposited in National Records of Scotland and catalogued as GD539.

SCOTLANDSPACES

In partnership with the Royal Commission on the Ancient and Historical Monuments of Scotland and the National Library of Scotland, National Records of Scotland makes available a large amount of digital copies of historical records via the [ScotlandsPlaces](#) website.

During 2013-14 we completed the addition of Ordnance Survey name books to the site. These names books give historical and etymological information on places and natural objects. This addition allows researchers to move between digital copies of the nineteenth century Ordnance Survey first edition maps and the related name books. In addition, we added seventeenth and eighteenth century tax rolls (including the Hearth Tax, 1691-1695, Cart Tax, 1785-1798, Carriage tax, 1785-1798, Shop tax 1785-1789, Horse tax, 1785-1798, Window Tax, 1748-1798, and Inhabited House Tax 1778-1798).

The site has proved popular with local historians, academic historians, geographers and genealogists and attracts more than half a million visits per year. Via this website, we provide approximately 60,000 online productions of maps and plans from our holdings per year and about 2 million pages of information are consulted – from tax rolls and Ordnance Survey Name Books per year. We have also supported the largest crowd-sourced transcription project involving Scottish historical records, with more than 2,000 people worldwide taking part in the online transcription of tax rolls and Ordnance Survey name books.



During the second half of 2014, we will deliver significant changes to registration practice flowing from the passage of the Marriage and Civil Partnership (Scotland) Act 2014.

Looking Forward

CERTIFICATION OF DEATH (SCOTLAND) ACT 2011

The implementation programme for the Certification of Death (Scotland) Act 2011 will reach its final phase in 2014-15, with a go-live date for the new national system of medical scrutiny of 29 April, 2015. This new system will introduce large-scale changes to the process of death certification in Scotland. In addition, it is planned that around 40% of death certifications (those carried out by GPs) will be completed electronically. This marks an important step towards the eventual development of an end-to-end electronic medical certificate of cause of death.

We are developing all registration-based aspects of the death certification programme in active partnership with Scottish Government, Healthcare Improvement Scotland, NHS Education Scotland and a number of other delivery partners. We will deliver these changes within a challenging timeframe with the assistance of our stakeholder group.

MARRIAGE AND CIVIL PARTNERSHIP (SCOTLAND) ACT 2014

These include developing the process and IT changes involved in solemnising same sex marriage for the first time in Scotland; removing some existing regulations to free up the process of civil marriage (such as the licensing of marriage venues); creating an additional category of marriage ceremony, 'religious and belief', in addition to civil marriages solemnised by registrars; and introducing some outstanding measures from earlier tranches of activity to develop registration, such as authorising deacons of the Church of Scotland to solemnise marriage.

This represents a broad and significant programme of work, which will affect the whole institution of marriage in Scotland and be delivered to tight timescales in full partnership with Scottish Government and local government Registration Services.



LOOKING FORWARD

CENSUS

We will continue to publish more detailed results from the 2011 Census via our [Scotland's Census](#) website. These results will assist in the understanding of the complex make-up of Scotland's people and the way in which we live today. We will focus on planning for a census in 2021 which will be delivered primarily by digital means.

DIGITAL SERVICES

We will re-launch the [National Records of Scotland](#) website. This website will be the main portal for accessing our corporate information, and the pre-existing National Archives of Scotland and General Register Office for Scotland websites will be archived. We will continue to develop our new website to ensure that it meets customer requirements.

We will also review our access provision to digital records, including ScotlandsPeople, and develop a strategy to extend digital access to our records through a variety of business models. We look forward to working with stakeholders and customers to improve the user experience.

ARCHIVES ACCREDITATION

The UK *Archive Service Accreditation Standard* was published on 20 June 2013 and the scheme is now in full operation. This Standard assesses archives on their governance, on the way in which they acquire and look after their collections, and on the quality of service that they offer to their various audiences. The scheme is overseen by a UK-wide committee chaired by the Archives and Records Association and we work jointly with the Scottish Council on Archives to assess applications from archives in Scotland. Following an assessment visit at the end of January, Falkirk Archive became the first Scottish archive service to be awarded accredited status. In the rest of the UK nine archives representing a broad range of service types were accredited by the end of March 2014. We are assembling our own submission for accreditation with a view to applying by the end of 2014.

DIGITAL PRESERVATION PROGRAMME

We are finalising a Digital Preservation Strategy, and are in the process of establishing a 5-year digital preservation programme. The programme will be made up of a dozen projects including: digital repository procurement and infrastructure, access, record transfer, web archiving, policies and procedures, business change, stakeholder engagement and the wider Scottish archives community. We look forward to working with our stakeholders and the wider archives community as we formulate detailed project plans and take forward this initiative.

LOOKING FORWARD



Undertaking the final stage of the sealing process of the Great Seal of Scotland, on behalf of Registers of Scotland.

ANNIVERSARIES AND EVENTS IN 2014

'Wallace, Bruce and Scotland's Contested Crown', an exhibition created by our staff exploring the contrasting stories of William Wallace, Guardian of Scotland, and Robert the Bruce, King of Scots, will be held at Stirling Castle, 3 May – 1 June 2014.

We will be marking centenaries of important events during the First World War, including the Gallipoli campaign in April, the Quintinshill train crash in May, and the Battle of Loos in September.

We also expect to mark the 300th anniversary of the 1715 Jacobite Rising in September.

SKILLS FOR THE FUTURE PROGRAMME

We are participating in a 3-year Scottish Council on Archives/National Archives/Heritage Lottery Funded (HLF)-funded project (over 3 years) under the HLF Skills for the Future Programme. The 'Opening Up Scotland's Archives' project aims to build up skills in the archive sector in the areas of: on-line access meeting identified user needs; collections made more representative of communities; support for ongoing access to digital records; and facilitating wider access to older documents through learning of handwriting and related skills by taking on a trainee in Digital Preservation. We will have a digital records trainee in years 1 and 3 of the project, starting in September 2014.

SCOTTISH SEALS

In July 2014 we will host a meeting of Sigillum – a society which aims to encourage the use of seal and seal matrices in the study, teaching and writing of history (of all kinds, including social history and art history), archaeology, palaeography, archival studies, and other allied subjects. We will prepare a displaying focusing on symbols of Scottish kingship around the time of the start of the Wars of Independence featuring seals from Scone Abbey showing the enthronement of a Scottish king (assumed to be either Alexander II or III), followed by images of the Guardians of Scotland seal from the 1290s, and great seals of King John Balliol and of Robert I. We will also demonstrate the current Scottish great seal sealing procedure used by us.

OBJECTIVES AND PERFORMANCE

We have a wide and diverse community of stakeholders who play a central role in the cultural, social and economic life of Scotland, supporting several of the Scottish Government's key National Outcomes and measuring its Population Purpose Target. We perform the registration and statistical functions of the Registrar General for Scotland and the archival functions of the Keeper of the Records of Scotland, including maintaining the archives as one of Scotland's five National Collections, and our leadership role for Scottish archive and record professionals.

In 2012, we published a strategy which included our Vision for the organisation. This stated our aim, that by 2022, we will be renowned for the values which are important to both our stakeholders and our staff. These are to be:

- World-leading and Scottish
- Professional and motivated
- Friendly and accessible
- Dynamic and innovative
- Trustworthy, secure and respected

The strategy was to be achieved by focusing on key themes and strategic objectives which were derived from the key themes.

The key themes were:

1. Preserving the past

We preserve the nation's records in our care so that they are available for current and future generations, holding them securely and ensuring that information which is restricted or of a sensitive personal nature is protected from unauthorised access. We advise other bodies on the care of records and archives, and maintain the National Register of Archives for Scotland, which keeps track of archives in private hands and facilitates access to them.

2. Recording the present

We run Scotland's Census and administer the registration of births, deaths, stillbirths, marriages, civil partnerships, divorces and adoptions, maintain the National Health Service Central Register and the Scottish Register of Tartans, and produce geographic data which is used throughout the public sector. We advise a wide range of public authorities on the care and management of the records they create, including in digital formats. We are responsible for agreeing arrangements for the management of public records created or held by named public authorities or by contractors who carry out any functions of those authorities.

3. Informing the future

We collect, produce, analyse and publish official demographic statistics, drawn from the census and other sources, to inform government policy, medical, academic and other research. We provide onsite and online facilities for people researching all aspects of Scottish life, including historians, genealogists and academics. We provide a range of education services. We are responsible for identifying records from public bodies including Scottish Government, the courts, government agencies and the Scottish Parliament which are of permanent historical value and ensuring that these are added to the nation's archives. We enhance our existing collections by acquiring other historical records of national importance and have the power to make suitable arrangements for the disposal of other material including by transfer to another appropriate repository.

4. Working effectively

We strive to work as effectively and efficiently as possible in all areas of our operations, reaping the benefits of the merger which created us to reduce our costs and our impact on the environment. We will use skill, expertise, knowledge and information technology to provide our services as efficiently as possible, and develop existing and new revenue streams. We will ensure that our staff are highly motivated, have the special skill sets appropriate to their responsibilities, and that these are developed to meet new challenges. We will explore the potential for further collaborative work, specifically through data linkage and sharing agreements and on offering procurement support to Culture cluster bodies.

We continue to operate in an environment of considerable reductions in public spending. To ensure that we continue to work towards our strategic objectives, by making wise use of our available resources while maintaining professional standards, we published a *Corporate Plan 2013-15* which included a clear set of priorities for 2013-15 as well as the business priorities we would work towards during 2013-14. These priorities ensure that we continue to work towards the aims of the 2022 Strategy.

During 2013-14 we indicated that there would be a move towards adopting a Management of Portfolio methodology approach to tracking activity and effectiveness of objectives throughout the year. As a first step in introducing this approach, we identified four strategic priorities for 2013-14 which were identified as essential to deliver if strategic objectives were to be met. It was noted, however, that delivery of these priorities could take longer than the reporting year. We would use these priorities to support decisions on allocation of resource and to help us to prepare plans for 2014-15 and beyond. Initially we identified a range of programmes and projects required to support delivery of the strategic priorities and these were added to throughout the year.

OUR STRATEGIC PRIORITIES

Additionally, we identified business objectives specifically for 2013-14 which set out the work identified by Divisions and Branches as key to supporting our functions and purpose. This year we identified 130 objectives. Performance is summarised in the chart which follows:

Business objectives end-year position							
On Target or Achieved		Partly Achieved or Achieved to Date		Put on Hold or Delayed		Total Number	
100	77%	27	21%	3	2%	130	100%

Further information on strategic priorities can be found below:

Strategic Priority 1: Develop a cohesive vision for NRS, which will support the creation of a unified organisation, with a clear strategic direction and appropriate supporting structures and processes.



Programme or project

Outturn

Development of a marketing and communication strategy to enable us to focus our resources on improving the delivery of products and services to customers in line with its strategic aim and objectives

In progress

Records Management Consolidation Programme

In progress

Strategic Priority 2: Create a culture of Continuous Improvement, where our people are developed and empowered.



Programme or project

Outturn

Implementation of an ICT solution for NRS

In progress

Planning for end of life and continual improvement for ICT solutions

In progress

Participate with The National Archive to develop a UK Archives Accreditation Standard, with NRS itself presented for accreditation

In progress

Business Continuity Management

Completed

Strategic Priority 3: Embed a customer focus across all our activities.



Programme or project

Outturn

Scotland's Family History Records Access

In progress

OUR
PERFORMANCE

Strategic Priority 4. Ensure that NRS is able to collect, hold, preserve and make available all of its information assets and data in an appropriate way.



Programme or project	Outturn
Complete dissemination of 2011 Census Outputs and deliver a controlled programme closure	In progress
Investigate the options for the delivery of census information in 2021 and prepare a Business Case to allow a Ministerial decision to be taken in 2015	In progress
Ensure that our records in all formats are appropriately stored and preserved – including Digital Data Archive	In progress
Vital Events System re-write	In progress
Postcode Management System	In progress
Scottish Address Database for NRS	In progress
Complete Station Road Clearance	Completed
Digitising Scotland	Paused
Digitising+ Strategy	In progress
Creation of a National Data Sharing and Linkage Service to improve the sharing of data for statistics and research purposes across government	In progress

SICKNESS ABSENCE

Please see [Our Staff](#) section for information on sickness absence.

CIVIL SERVICE EMPLOYEE SURVEY 2013 AND STAFF SURVEY

In September 2013, our staff were asked to participate in the annual employee survey. This was part of a Civil Service-wide survey which measured the extent of employee engagement within the organisation. A total of 70% of staff participated and we achieved an overall engagement score of 52%. A copy of the results can be found on our website.

An internal staff survey was also launched at the same time and was used to highlight specific areas of development within the organisation. The results from both surveys are being used to develop our internal action plans.

PUBLIC SECTOR EQUALITY DUTY

The NRS Mainstreaming Equality Report demonstrates how NRS embeds equality, not only in our functions, but in the service we provide.

We have a series of NRS Equality Outcomes which allow us to fulfil the General Equality Duty, meaning that in the exercise of our functions we will have due regard to the need to:

- (1) eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited by the Equality Act 2011;
- (2) advance equality of opportunity between people who share a relevant protected characteristic and those who do not;
- (3) foster good relations between people who share a protected characteristic and those who do not.

The status of NRS Equality Outcomes was reviewed in November and an NRS Equality Team is being put in place to ensure all actions are taken forward.

A copy of both our Mainstreaming Report and Equality Outcomes, published on 1 April 2013, can be found on [our website](#).

ECONOMY, EFFICIENCY AND EFFECTIVENESS

We achieved our efficiency target of 3% for 2013-14. This equated to £626K, arising from ICT and Procurement as follows.

- ICT – £20K
- Procurement £606K

Like every other government body, we are expected to deliver best value and achieve efficiency savings. The Scottish Government has an expectation that we will continue to make efficiency savings for 2014/15 of at least 3%.

SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL POLICY

As part of our Carbon Management Plan, we are working to reduce carbon emissions by 20% by April 2016 against the carbon emissions recorded for the baseline year of 2010-11.

To achieve this we have been concentrating on the following areas:

Reducing Consumption of Energy, Water, Paper and other Resources

We continue to monitor energy and water consumption and have set reduction targets to measure our performance. We continued to upgrade some of our older plant, equipment and lighting with more energy efficient ones. We introduced an Energy Committee to manage our energy usage reduction Programme. This has proved successful as we produced 242 tonnes (7.8%) less CO₂ than we did in 2012-13. During 2013-14 we used 1,241,673 kilowatt hours less of energy to run our buildings than we did in 2010-11, at the start of the Carbon Management Plan. An average family uses 11 kilowatt hours of electricity per day so 1,241,673 kilowatt hours of electricity would provide enough electricity for 112,879 families for one day. Over the 3-year period 2011-14 of the Carbon Management Plan, we have reduced carbon emissions by a total of 14.1%, against the 3-year target of 12%.

Waste Management

We have continued to focus on our recycling initiatives to reduce the amount of waste we produce by re-using and recycling products and materials and stopped a total of 70.42 tonnes of waste going to landfill. All redundant IT kit was recycled using a WEEE (Waste Electronic and Electrical Equipment) approved company. A total of 139.54 tonnes of paper and card were recycled during 2013-14 which have saved approximately 2,093 trees, 558,167 kilowatt hours of energy and 4,186,254 litres of water. 6.68 tonnes of aluminium cans and plastic and 16.41 tonnes of food waste were also recycled.

Business Travel

We travelled 54,940 kilometres less in 2013-14 than we did in 2012-13. We promoted our Business Travel policy guidelines to continue to encourage alternatives to travel (telephone and video conferencing) and for staff to use local bus and rail tickets. Our end-of-life office vehicles have also been replaced by more fuel and CO₂ efficient ones to support our emissions reductions target. We achieved a 24.4% reduction in the distance travelled on business by air, which has resulted in an overall reduction in our business travel carbon emissions by 16.06 tonnes of CO₂ when compared to 2012-13.

Sustainable Procurement

We continue, where feasible, to buy goods and services which are derived from natural and sustainable sources and which can be manufactured, delivered and disposed of in an environmentally responsible way.

We have established a Sustainability Committee, with representation from all business areas, which is working to build on our considerable achievements in carbon reduction by focusing on promoting positive behavioural change.

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FOREWORD TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014 NATIONAL RECORDS OF SCOTLAND

Basis of Accounts

1. In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual (FReM), which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The accounts direction is reproduced at page 81 of these accounts.

Departmental Accounting Boundary

2. There are no associated bodies that require to be included within the departmental boundary.

Ministers and Senior Officers

3. The Scottish Government Minister responsible for NRS during the period 1 April 2013 to 31 March 2014 was the Cabinet Secretary for Culture and External Affairs, Fiona Hyslop MSP.
4. Senior Management for NRS during the year was as follows:

Mr Tim Ellis	Chief Executive
Mrs Audrey Finch-Robertson	Head of Corporate Services and Accountable Officer
Mrs Penni Rocks	Head of Census Operations
Mrs Amy Wilson	Head of Census Statistics
Mrs Kirsty MacLachlan	Head of Demography
Mr Rod Burns	Head of Registration
Ms Anne Slater	Head of Public Services
Mrs Laura Mitchell	Head of Records and Archives
Mr Gerry Donnelly	Head of Data Linkage (1 April 2013)

Review of Financial Results

5. The results for the year are reported in the attached accounts. They record a Net Resource Outturn of £19,316K, compared to the Resource Budget of £19,789K, which includes £800K of indirect capital (capital grant). The resulting underspend of £473K was relatively small (2.4%) and arose mainly from increased levels of income (£196K) and underspends within accommodation (£128K), depreciation (£70K) and staff costs (£57K).
6. Direct capital expenditure was £557K compared with budget of £770K. This underspend (£193K) mainly arose through some slippage within our ICT and Accommodation projects.
7. As a Non-Ministerial Department, NRS's funding is identified within the Scottish Block Grant and approved by Scottish Ministers, which originates from the Spending Review Settlement and is subsequently approved in the Budget Bill. During the year, revisions are approved in the autumn and spring budget.
8. NRS has complied with the cost allocation and charging requirements set out by HM Treasury and managed within its budget limit for year to 31 March 2014.
9. To maximise NRS's budget capacity, particularly during the current financial climate, NRS plan to undertake a review of both its income generation and its fees and charges during 2014-15.

Estate Management

10. NRS has a varied estate, operating in both purpose-built repositories and more generic office accommodation. A fundamental review of the NRS estate commenced in the latter part of 2013-14 with the assistance of external expertise, to help identify options for maximising the efficient and effective use of space. This review will help inform our future Estates Management Strategy. The report, including Green Book options analysis, is expected during 2014-15.
11. As part of a rolling 5-year programme, the NRS estate was valued independently as at 31 March 2014 by GVA Grimley, International Property Advisors, on the basis of Fair Value in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors. The result of this valuation was a revaluation gain of £499K.
12. All non-current (tangible) assets are owned by NRS with the exception of West Register House (long-term leased property). As at 31 March 2014, Station Road continued to be classified as an asset held for sale, pending its planned sale in early 2014-15.
13. Operating leases for Ladywell House and Cairnsmore House are held, where rental fees are reviewed every 5 years. The next rental review for Ladywell House is on 26 January 2016 (lease expiry date is in 2019). Similarly, the next rental review for Cairnsmore House is on 1 June 2017 (lease expiry date is in 2022).

Payments of Suppliers

14. As part of its plan for supporting economic recovery in Scotland, the First Minister announced on 9 October 2008 that the Scottish Government would aspire to a 10-day target for paying bills to businesses in Scotland. This aspiration is above and beyond our contractual commitment to pay suppliers within 30 days. Paying supplier bills within 10 working days is seen as a key objective, and an important expression of the Scottish Government's commitment to supporting business through the current economic downturn. Improvements in methodology have been introduced and continue to be introduced to improve payment performance.
15. In line with this Scottish Government objective, NRS aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, within this 10-day target. During the year ended 31 March 2014, NRS paid 99% of all invoices within 10 days (2012-13: 95%).

Other Financial Information

16. During the year there were no frauds reported (2012-13: nil).
17. Losses during the year were reported at £1K (2012-13: £2K).
18. The efficiency savings target (3% of budget) was exceeded during the year where £626K (3.2%) of efficiencies were reported (2012-13: £848K (4.1%)).
19. Further information on frauds, losses and efficiencies can be found within the Annual Report.

Equality and Diversity

20. Information on NRS's performance against the protected characteristics is contained within the Annual Report. Also disclosed is information on the specific duties associated to our Mainstreaming Equality Report, which brings our associated policies and processes together and is reflected in our Equality Outcomes.

Sustainability and the Environment

21. A detailed report on the achievement of NRS's policies and achievements in respect of sustainability and the environment can be found within the [Annual Report](#).

Other Information

22. Information on sickness absence data; personal data-related incidents; and performance against objectives is set out within the [Annual Report](#).

Independent Auditors

23. The accounts of NRS are audited by auditors appointed by the Auditor General for Scotland. PricewaterhouseCoopers LLP were appointed as NRS external auditors for the period 1 April 2011 to 31 March 2016.

24. The external auditors were remunerated in the sum of £57K in respect of statutory audit services for the financial year 2013-14. During the year, external audit provided Senior Management with advice on a contract associated with the Digitising Scotland Project at a cost of £4.2K. The fees payable to the external auditors are shown in the Statement of Comprehensive Expenditure and in note 3 to the accounts.

Disclosure of Information to Auditors

25. As Accountable Officer, I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also made aware of this information.

Audrey Finch-Robertson

Accountable Officer
28 October 2014

STATEMENT OF RESPONSIBILITIES FOR NATIONAL RECORDS OF SCOTLAND'S REGISTRAR GENERAL/KEEPER AND ACCOUNTABLE OFFICER

In accordance with an accounts direction issued under article 19(4) of The Public Finance and Accountability (Scotland) Act 2000 the National Records of Scotland (NRS) is required to prepare resource accounts for each financial year in the form and on the basis set out in the FReM, detailing the resources acquired, held, or disposed of during the year and the use of resources by the Department during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the NRS, the net resource outturn, resources applied to objectives and cash flows for the financial year.

In preparing the accounts the Accountable Officer was required to comply with the FReM and in particular to:

- observe the accounts direction including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis.

Following best practice described in the FReM, NRS publishes an Annual Report alongside these accounts which provides further background to the Department and describes what the Department has achieved in the year with its resources.

Section 70 of the Scotland Act 1998 requires Scottish legislation to provide for members of staff of the Scottish Administration to be designated as answerable to the Scottish Parliament in respect of expenditure and receipts. Such members of staff are called Accountable Officers. The Registrar General for Scotland/ Keeper of the Records of Scotland is a statutory office-holder who is a member of the Scottish Administration and not part of the staff of the Scottish Administration. A consequence of Section 70 is that the Registrar General/Keeper cannot be designated as Accountable Officer. The Head of Corporate Services Division has been appointed by the Principal Accountable Officer as Accountable Officer for the NRS.

The Registrar General/Keeper, as statutory office-holder, remains accountable to the Parliament for the performance of his duties, including that of preparing accounts. The Accountable Officer has a separate, and independent, duty to ensure certain standards and to take action if these are not met.

The responsibilities of the Accountable Officer are described in the Memorandum to Accountable Officers from the Principal Accountable Officer published in the Scottish Public Finance Manual (SPFM).

GOVERNANCE STATEMENT

Scope of Responsibility

As Head of Corporate Services I act as the Accountable Officer for NRS as it is not possible for the Chief Executive, in his roles of Registrar General or Keeper of the Records of Scotland, who are Officers of the Scottish Administration, to exercise the functions of Accountable Officer.

As Accountable Officer, I have the responsibility for maintaining a sound system of internal control that supports the achievement of our Department's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible.

Purpose of the Governance Statement

The governance statement, for which the Accountable Officer takes personal responsibility, is a key feature of the organisation's annual report and accounts. It covers the accounting period and the period up to the date of signature and provides the reader with a clear understanding of the organisation's internal control structure and its management of resources. The statement is informed by work undertaken throughout the period to gain assurance about performance and risk management, providing an insight into the organisation's risk profile and its responses to identified and emerging risks.

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of our policies, aims and objectives; to evaluate the likelihood of those risks being realised, and the impact should they be realised; and to manage them efficiently, effectively and economically. This process is integral to our business planning and progress monitoring regime and accords with the SPFM. The supervision of the regime is undertaken by the executive managers of business areas within our Department.

Governance of NRS

NRS is a Non-Ministerial Department (NMD). This means that we sit slightly to the side of the Scottish Government. We are headed by the Chief Executive who fulfils the roles of Registrar General (RG) and Keeper of the Records of Scotland (Keeper) and not by a Minister. Mr Tim Ellis is the NRS Chief Executive. The RG and Keeper are both statutory office-holders with specific responsibilities set out in legislation.

The NRS budget is set by Parliament and the Chief Executive reports to Scottish Ministers. NRS sits within the portfolio of the Cabinet Secretary for Culture and External Affairs. However, neither the Parliament nor Ministers can interfere in matters relating to the delivery of the RG/Keeper's statutory obligations.

Director Generals (DGs) have specific responsibilities with regard to NMDs which are set out in an individual framework document covering accountability arrangements and other relevant matters. The NRS framework document is currently being reviewed and will be signed off by the DG/Minister.

The Management Board (MB) advises the Chief Executive on the operations of NRS – particularly the strategic direction of the organisation – excluding financial accountability questions (on which the source of advice is the Audit and Risk Committee). The Board comprises the Chief Executive (Chair), the Division Heads and three Non-Executive Directors (NXDs). The Management Board meets quarterly.

The Management Board comprises:

Tim Ellis (Chair)
Ian Doig
Helen Froud (resigned September 2013)
Michael Moss
Rod Burns
Kirsty MacLachlan
Laura Mitchell
Audrey Robertson
Penni Rocks
Amy Wilson

The Audit and Risk Committee supports the Accountable Officer on matters of risk, control and governance and associated assurances through a process of constructive challenge. The Committee is chaired by a non-executive member of the Management Board (MB).

The Audit and Risk Committee comprises non executives, along with the Chair:

Ian Doig (Chair)
John Aldridge
Susan Burley (resigned May 2013)
Andrew Fraser (resigned February 2014)
Mandy Gallacher
Darryl Mead (resigned July 2013)
Gordon Shipley

The external and internal auditors, and representatives from SG Finance Directorate also attend. The Audit and Risk Committee meet quarterly.

The Senior Management Team (SMT) oversees the day-to-day management of NRS, and comprises senior managers from across NRS. It is chaired by the Chief Executive.

Planning and Risk Management Arrangements

We continue to face growing demands, within a context of reducing levels of resources. To address this, the Management Board are undertaking a strategic review of our activities. This will allow us to make decisions on the structures and priorities necessary for us to survive and thrive in 2014-15 and beyond. This includes reviews of accommodation (including storage requirements) and income generation.

We will review the Objectives and targets we set ourselves back in 2012, following the merger and will make changes as required. However, as we do this, it will be important for us to continue to deliver on our existing commitments.

Risk Management

NRS operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM. Risk management is a fundamental part of our office-wide programme management regime and is also applied in key stand-alone projects such as the 2011 Census Outputs Programme.

The NRS Risk Management Policy Statement sets out its aims and provides background information on risk management. It also sets out the specific arrangements for the handling of risk within NRS. The Risk Management Toolkit provides practical guidance to managers and staff on how to identify, assess and manage risk. Taken together, they provide practical guidance to assist with the effective identification, evaluation and control of risk that may impact upon the achievement of NRS corporate and divisional business objectives and priorities.

NRS has a common office-wide Performance Management regime. This regime identifies and monitors risks at strategic and operational level. Risks are given a score based on likelihood, impact and time horizon. This score is used to prioritise action on the risk.

For each Strategic risk included in the Strategic Risk Register, the identified risk owner formally reviews the register entry on a quarterly basis. The Strategic Risk Register is owned by the Head of Corporate Services who monitors the currency of the Strategic risks and controls detailed in the register; oversees additions, deletions or amendments; ensures management of Strategic Risks is effective; and leads a review of the Strategic Risk Register with the DPG and Audit Committee quarterly.

Risks relating to specific Divisions are actively monitored by Divisional Programme Boards who review the Corporate Risk Register quarterly.

Projects and change management programmes include an assessment of risk at the outset and risk management throughout the project or programme. Risks are reviewed quarterly by the relevant Programme Board.

Service delivery through Partnership working is risk assessed at the outset and documented in a risk register. Risks are reviewed on a regular programmed basis. Additionally, where the partnership is significant, or NRS is the lead or accountable body, a joint Partnership risk register is maintained to monitor the risks associated with achievement of the Partnership objectives.

The Audit and Risk Committee provide independent assurance to NRS on the effectiveness of risk management and internal control arrangements and performance effectiveness. The Audit Committee review the Strategic Risk Register quarterly and the Operational Risks Registers annually, or when risks scores worsen.

Our Audit Committee meets four times each year and considers reports from Corporate Services Division (on budgets and financial control), Internal Audit and External Audit. The Audit Committee also reviews key risks selected from our corporate risk register.

We currently have plans in place to extend our Business Continuity Management System across the whole organisation. Adequate arrangements are in place for the protection, preservation and restoration of our valuable records.

Financial Management

A list of Requisitioners and Delegated Authorities in NRS is maintained on a spreadsheet and published on the Intranet. These delegated limits are checked by Procurement when authorisation to purchase is received. These delegated limits demonstrate a separation of duties between staff who can authorise spend and the limited number of appropriately qualified staff who have the authority to purchase once the spend authorisation is received.

Information Security

The core business of NRS is to collect, process, safeguard, and make available information about Scotland's people in a useful, responsible, and efficient way. Often this information is sensitive and we have a suite of information security policies in place to provide appropriate protection.

NRS has an ongoing commitment to Information Security and follows the principles of the International Security Standard (ISO27001), the Government Security Policy Framework and Information Assurance Standards.

All staff employed in NRS are required to undergo pre-employment checks. The minimum checks carried out are to the Baseline Personnel Security Standard (BPSS) which is outlined in the HMG Security Policy Framework.

After taking up duty, all new staff attend a new entrant security/data handling seminar. During the year, 76 new staff received seminars. In addition to this a further 144 existing staff received face-to-face User Education. Furthermore, all existing staff received quarterly security and data handling bulletins as well as ad-hoc bulletins during the year.

All staff are subject to census legislation while staff who use information processing facilities are subject to the conditions of the IT Code of Conduct.

Projects/Procurement

It is standard practice in NRS to handle any major initiative as a project. Additionally, we have begun to implement a Management of Portfolio approach across the organisation. This will strengthen our planning, making explicit the assessment of risks, benefits and resource requirement of activities to aid prioritisation.

ICT Amalgamation Project

Following merger, the then RG/Keeper, decided that NRS should leave SCOTS and create their own network. Although it was demonstrated that savings would follow from this decision, it was not possible to quantify these precisely. The decision was made not on price grounds, but on the advantages to be gained from having the control and flexibility that running our own network would bring.

During the last year, work has been progressing on the creation of the NRS Architecture and Infrastructure, but the programme has suffered significant delays as many known risks have materialised, including the resignation of both senior ICT managers and the implications of the delay on the absolute deadline of Windows XP going out of support.

As a result of this, it was agreed we should revisit the original Business Case to ensure that the project was still viable.

On 25 October 2013 the following recommendations were made to the Board:

- Note that the assumptions stated in the original business case and the business drivers for change still apply.
- Note that although the annual costs for the ITSOL programme have risen, it is anticipated that modest annual savings will still be made.
- Consider and review the findings of this business case review and agree to continue with the ITSOL programme as planned.

The paper was agreed.

Additionally, we have commissioned a Gateway Review (ICT Technical Assurance Review). This will consider programme direction, programme management, programme assurance, business impact, ICT technical implementation and assurance, and ongoing operational support.

Data Sharing and Linkage Service (DSLS)

DSLS is a key plank of the Data Linkage Framework. The purpose of DSLS is, *'To securely link administrative data in the public interest for research and statistical purposes in a legal, ethical and efficient way which will provide new information to improve decision making to public problems.'* It has an emphasis on expanding existing infrastructure and delivering added capacity for data linkage and secure analysis for the public and third sectors and is an integral part of developing an extensive environment in Scotland for carrying out this type of analysis and was launched in December 2013.

Linking data sets, particularly public sector datasets, has the potential to provide a rich source of new information to help improve decisions within government and beyond. Whilst there are linkages being carried out relating to health and studies using the Census, there are obstacles to delivering other data linkages.

NRS is working with others to build on work done to date to extend capacity and capability to link data.

Review of Effectiveness

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- the executive managers within NRS who have responsibility for the development and maintenance of the internal control framework;
- the work of the internal auditors (service provided by the Scottish Government (SG)), who submit to me, and our Department's Audit and Risk Committee, regular reports on the adequacy and effectiveness of our Department's system of internal control, together with recommendations for improvement;
- the comments made by the external auditors in their management letters and other reports;
- the results of Gateway Reviews; and
- other specific reviews (e.g. IS Security) that are commissioned from time to time.

We rely on the SG for the provision of many important aspects of our corporate services. For example, most of our Human Resource related support comes from the SG's 'One HR' service. I receive assurances on the robustness of these services from the SG Directors who have responsibility for their delivery. In general, I am satisfied that these services meet our requirements and I recognise that economies of scale have been achieved from their use.

Appropriate actions have been taken to address any weaknesses that have been identified.

Based on these reviews and my own knowledge of internal control matters, I am satisfied that during the year the system of internal control was effective in helping us meet our Department's policies, aims and objectives and that there are no significant matters arising.

Audrey Finch-Robertson

Accountable Officer

28 October 2014

REMUNERATION REPORT

1. NRS is a Government Department, associated with but not part of the Scottish Government. The Registrar General/Keeper and their staff are part of the Scottish Administration under the Scotland Act 1998. The Cabinet Secretary for Culture and External Affairs answers in the Scottish Parliament on matters relating to NRS, advised by the Registrar General/Keeper. The First Minister is responsible for appointing the Registrar General/Keeper and for laying before the Scottish Parliament the Annual Report of the Registrar General. In appointing the Keeper, agreement must be sought from the Lord President. Neither the Cabinet Secretary for Culture and External Affairs, nor the First Minister, receives specific remuneration relating to their responsibilities for NRS.
2. The remuneration for the Registrar General/Keeper was set by the Scottish Government. For other senior officials remuneration was determined by pay arrangements covering the Senior Civil Service and other staff in The Scottish Government and Associated Departments.
3. The salary and pension entitlements of our Management Board members, including the Chief Executive and Registrar General/Keeper's, were as follows:

Salary

Single total figure of remuneration 2013-14:

Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (£'000) ⁽⁶⁾		Total (£'000)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Mr Tim Ellis Chief Executive	75-80	10-15	-	-	-	-	56	15	130-135	25-30
Mr George MacKenzie (Registrar General/Keeper)	N/A	45-50	N/A	-	N/A	-	N/A	42	N/A	85-90
Ms Audrey Finch-Robertson Head of Corporate Services	60-65	60-65	-	-	-	-	14	15	75-80	80-85
Mr Peter Scrimgeour Head of Census	N/A	15-20	N/A	-	N/A	-	N/A	4	N/A	20-25
Mrs Penni Rocks Head of Census Operations	60-65	60-65	-	-	-	-	18	15	75-80	80-85
Mrs Amy Wilson Head of Census Statistics	55-60	30-35	-	-	-	-	75	6	130-135	55-60
Mrs Kirsty MacLachlan Head of Demography	60-65	60-65	-	-	-	-	6	15	75-80	75-80
Mr Rod Burns Head of Registration	50-55	50-55	-	-	-	-	8	10	60-65	60-65
Ms Anne Slater Head of Public Services	55-60	40-45	-	-	-	-	27	25	85-90	70-75
Mrs Laura Mitchell Head of Records and Archives	60-65	45-50	-	-	-	-	25	20	85-90	90-95
Mr Gerry Donnelly Head of Data Linkage	55-60	N/A	-	N/A	-	N/A	77	N/A	75-80	N/A
Mr Michael Moss Non-Executive ⁽⁴⁾	0-5	0-5	-	-	-	-	-	-	0-5	0-5
Mr Ian Doig Non-Executive ⁽⁴⁾	0-5	0-5	-	-	-	-	-	-	0-5	0-5
Mrs Helen Froud Non-Executive ⁽⁴⁾	0-5	0-5	-	-	-	-	-	-	0-5	0-5

- (1) The figures within the 2013-14 table above, both pension tables below and the median reported at paragraph 6 below are the only parts of the Remuneration Report that are required to be audited by external audit.
- (2) Calculations for determining the figures in the above table are produced by MyCSP on behalf of SG for NRS.
- (3) In line with Scottish Government pay policy arrangements, no performance-related awards apply for the 2013-14 reporting year.
- (4) During the year Non-Executive Directors earned £225 per Management Board meeting attended.
- (5) Any effective dates for changes to Senior Management are set out in the 'Foreword to the Accounts/Directors Report' on page 40
- (6) The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

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4. In accordance with the FReM, reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.
 5. The banded remuneration of the highest-paid director in NRS in the financial year 2013-14 was £75-80K (2012-13: £60-65K). This is 3.14 times the median remuneration of the workforce, which was £20-25K (2012-13: 2.56 times, median £20-25K).
 6. Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Benefits in kind

7. The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument.

Civil Service Pensions

2013-14	Accrued pension at pension age as at 31/3/14 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/3/14 £'000	CETV at 31/3/13 £'000	Real increase in CETV ⁽⁷⁾ £'000	Employer contribution to partnership pension account Nearest £100
Mr Tim Ellis (Chief Executive)	20-25 plus lump sum of 65-70	2.5-5 plus lump sum of 7.5-10	315	265	31	-
Ms Audrey Finch-Robertson (Head of Corporate Services)	10-15 plus lump sum of 30-35	0-2.5 plus lump sum of 0-2.5	229	202	12	-
Mrs Penni Rocks (Head of Census Operations)	15-20 plus lump sum of *	0-2.5 plus lump sum of *	258	227	14	-
Mrs Amy Wilson (Head of Census Statistics)	10-15 plus lump sum of 35-40	0-2.5 plus lump sum of 10-12.5	187	88	46	-
Mrs Kirsty MacLachlan (Head of Demography)	15-20 plus lump sum of 45-50	0-2.5 plus lump sum of 0-2.5	419	363	7	-
Mr Rod Burns (Head of Registration)	5-10 plus lump sum of 25-30	0-2.5 plus lump sum of 0-2.5	121	108	4	-
Ms Anne Slater (Head of Public Services)	20-25 plus lump sum of 65-70	0-2.5 plus lump sum of 2.5-5	361	324	18	-
Mrs Laura Mitchell (Head of Records and Archives)	15-20 plus lump sum of 50-55	0-2.5 plus lump sum of 2.5-5	298	263	17	-
Mr Gerry Donnelly (Head of Data Linkage)	10-15 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	130	111	9	-

(7) The actuarial factors used in the calculation of Cash Equivalent Transfer Values (CETVs) were changed during 2010-11, due to changes in demographic assumptions and the move from the Retail Price Index (RPI) to the Consumer Price Index (CPI) as the measure used to uprate Civil Service pensions. The CETVs at 31 March 2013 and 31 March 2014 have been calculated using the new factors. Taking account of inflation, the CETV funded by the employer has decreased in real terms.

* Officer in premium pension scheme with no automatic lump sum

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2012-13	Accrued pension at pension age as at 31/3/13 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/3/13 £'000	CETV at 31/3/12 £'000	Real increase in CETV ⁽⁷⁾ £'000	Employer contribution to partnership pension account Nearest £100
Mr Tim Ellis (Chief Executive)	15-20 plus lump sum of 55-60	0-2.5 plus lump sum of 0-2.5	265	257	6	-
Mr George MacKenzie (Registrar General/Keeper)	40-50 plus lump sum of 125-130	2.5-5 plus lump sum of 2.5-5	929	865	70	-
Ms Audrey Finch-Robertson (Head of Corporate Services)	10-15 plus lump sum of 30-35	0-2.5 plus lump sum of 2.5-5	202	172	19	-
Mr Peter Scrimgeour (Head of Census)	0-5 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	15	10	4	-
Mrs Penni Rocks (Head of Census Operations)	10-15 plus lump sum of *	0-2.5 plus lump sum of *	227	198	16	-
Mrs Amy Wilson (Head of Census Statistics)	5-10 plus lump sum of 15-20	0-2.5 plus lump sum of 10-12.5	88	80	3	-
Mrs Kirsty MacLachlan (Head of Demography)	15-20 plus lump sum of 50-55	0-2.5 plus lump sum of 0-2.5	363	330	13	-
Mr Rod Burns (Head of Registration)	5-10 plus lump sum of 20-25	0-2.5 plus lump sum of 0-2.5	108	96	6	-
Ms Anne Slater (Head of Public Services)	20-25 plus lump sum of 60-65	0-2.5 plus lump sum of 2.5-5	324	299	19	-
Mrs Laura Mitchell (Head of Records and Archives)	15-20 plus lump sum of 45-50	0-2.5 plus lump sum of 2.5-5	263	227	24	-
Mr Gerry Donnelly (Head of Data Linkage)	N/A plus lump sum of N/A	N/A plus lump sum of N/A	111	N/A	N/A	-

* Officer in premium pension scheme with no automatic lump sum

8. Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).
9. Employee contributions are salary-related and range between 1.5% and 6.25% of pensionable earnings for classic and 3.5% and 8.25% for premium, classic plus and nuvos. Increases to employee contributions will apply from 1 April 2014. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.
10. The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).
11. The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.
12. Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

Cash Equivalent Transfer Values

10. A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.
11. The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

12. This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

INDEPENDENT AUDITOR'S REPORT TO NATIONAL RECORDS OF SCOTLAND, THE AUDITOR GENERAL FOR SCOTLAND AND THE SCOTTISH PARLIAMENT

We have audited the financial statements of National Records of Scotland for the year ended 31 March 2014 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Expenditure (excluding the budget and variance information), the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2013-14 Government Financial Reporting Manual (the 2013-14 FR&M).

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Auditor General for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Accountable Officer and auditor

As explained more fully in the Statement of the Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and income. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Scope of the audit of the financial statements

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 body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements. It also involves obtaining evidence about the regularity of expenditure and income. In addition, we read all the financial and non-financial information in 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, irregularities, or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2014 and of its net operating cost for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2013-14 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Opinion on regularity

In our opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Opinion on other prescribed matters

In our opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the Governance Statement does not comply with guidance from the Scottish Ministers.

We have nothing to report in respect of these matters.

Martin Pitt, Senior Statutory Auditor, for and on behalf of Pricewaterhouse Coopers LLP
141 Bothwell Street, Glasgow G2 7EQ
28 October 2014

NATIONAL RECORDS OF SCOTLAND
STATEMENT OF COMPREHENSIVE EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2014

2012-13		2013-14			
Outturn			Outturn	Budget	Variance
£'000		Note	£'000	£'000	£'000
				(unaudited)	(unaudited)
INCOME					
(7,099)	Administration Income	<u>4</u>	(6,692)	(6,496)	(196)
(1,036)	Contract Income		(923)	(920)	(3)
(5,714)	Fees and Charges		(5,424)	(5,231)	(193)
(349)	Rental Income		(345)	(345)	-
EXPENDITURE					
13,766	Staff Costs	<u>2</u>	13,851	13,908	(57)
10,333	Directly Employed Staff		10,490	13,299	(2,809)
671	Temporary Staff Costs		652	609	43
2,762	Other Staff Costs		2,709	-	2,709
13,756	Administration Expenditure	<u>3</u>	12,157	12,377	(220)
4,898	Accommodation		3,601	3,729	(128)
118	Travel		103	111	(8)
6	Transport		6	5	1
6,137	Supplies and Services		5,723	5,730	(7)
135	Training		182	150	32
10	Hospitality		14	20	(6)
1,605	Depreciation		1,530	1,600	(70)
60	Audit Fee		57	60	(3)
647	Loss on Disposals		-	-	-
140	Grants		940	940	-
-	Other Office		1	32	(31)
20,423	Net Operating Costs for the Year		19,316	19,789	(473)
(135)	Other Comprehensive Income		(499)	-	(499)
(135)	Revaluation Gain	<u>7</u>	(499)	-	(499)
20,288	Total Comprehensive Expenditure for the Year		18,817	19,789	(972)

The budget and variance information disclosed above has not been subject to external audit and therefore is not reflected in the Independent Auditors Report.

The notes on pages [63](#) to 80 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2013-14 £'000	2012-13 £'000
Non-Current Assets			
Property, plant and equipment	7	18,010	18,250
Intangible assets	7	7,495	7,729
Trade and other receivables falling due after one year	9	147	154
		25,652	26,133
Current Assets			
Trade and other receivables	9	1,320	1,247
Cash and cash equivalents	10	1	1
		1,321	1,248
Total Assets		26,973	27,381
Current Liabilities			
Trade and other payables	11	1,902	3,140
Non-Current Assets Plus/Less Net Current Assets/Liabilities		25,071	24,241
Non-Current Liabilities			
Provisions for Liabilities and Charges	12	381	548
Net Assets		24,690	23,693
Taxpayers' Equity			
General Fund		19,454	18,699
Revaluation Reserve		5,236	4,994
Total Taxpayers' Equity		24,690	23,693

The General Fund Reserve represents the excess of expenditure over funded activities. The Revaluation Reserve reflects the increase in value of property, plant and equipment over their respective historical costs.

The notes on pages [63](#) to 80 form part of these accounts.

Audrey Finch-Robertson
Accountable Officer
28 October 2014

The financial statements on pages [59](#) to 62 were authorised by the Accountable Officer for issue in October 2014

NATIONAL RECORDS OF SCOTLAND
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2014

2012-13			2013-14
£000			£000
	Cash flows from operating activities	Note	
(20,423)	Net operating cost	<u>SoCE</u>	(19,316)
	Adjustments for non cash transactions		
1,605	Depreciation	<u>3</u>	1,530
646	Gain/Loss on disposal of non-current assets		-
12	Net adjustment to general fund		-
60	Audit fee	<u>3</u>	57
	Movements in working capital		
852	Increase in trade and other receivables	<u>9</u>	(66)
565	Decrease in trade and other payables	<u>11</u>	(1,238)
(177)	Movements in provisions	<u>12</u>	(167)
(16,860)	Net cash outflow from operating activities		(19,200)
	Cash flows from investing activities		
(1,598)	Purchase of property, plant and equipment	<u>7</u>	(506)
(301)	Purchase of intangible assets	<u>7</u>	(51)
(1,899)	Net cash flow from investing activities		(557)
	Cash flows from financing activities		
18,759	Funding	<u>SoCTE</u>	19,757
18,759	Cash flows from financing activities		19,757
-	Net movement in cash and cash equivalents	<u>10</u>	-
1	Cash and cash equivalents at beginning of period	<u>10</u>	1
1	Cash and cash equivalents at end of period	<u>10</u>	1

Note: The exact sum of Parliamentary funding drawn during the 2013-14 financial year was £19,756,626.32. The funding figures for 2012-13 have been restated to clarify their position.

The notes on pages [63](#) to 80 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND
STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2014

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 1 April 2013		18,699	4,994	23,693
Total Comprehensive Expenditure for the year ended 31 March 2014	5 & 7	(19,316)	499	(18,817)
Transfers between reserves		257	(257)	-
Non cash charges – auditor's remuneration and impairment	3.2	57	-	57
Net funding		19,757	-	19,757
Balance at 31 March 2014		19,454	5,236	24,690

NATIONAL RECORDS OF SCOTLAND
STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2013

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 1 April 2012		19,926	5,225	25,151
Total Comprehensive Expenditure for the year ended 31 March 2013		(20,423)	135	(20,288)
Transfers between reserves		366	(366)	-
Net adjustment to general fund		11	-	11
Non cash charges – auditor's remuneration		60	-	60
Net funding		18,759	-	18,759
Balance at 31 March 2013		18,699	4,994	23,693

The notes on pages [63](#) to 80 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1. Statement of Accounting Policies

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared under the going concern basis and in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual (FReM) and where appropriate, in accordance with International Financial Reporting Standards (IFRS).

Key Estimates

Property Plant and Equipment

The preparation of financial statements requires the use of certain critical accounting estimates. Valuations and useful life estimates in respect of NRS buildings, supplied by GVA Grimley, International Property Advisors, are assumed to be accurate. It also requires management to exercise its judgement in the process of applying its accounting policies.

Intangible Assets

Following a review of asset life, management are satisfied that NRS should retain existing estimated life for website images for purposes of 2013-14 Accounts. Management are also satisfied, based on sensitivity analysis, that there are sufficient (and significant) future income streams in excess of the website images asset category Non-current Replacement Cost. This will be reviewed annually to comply with IAS 38. As there is no active market for our website images asset the cost model has been applied and therefore no revaluations are possible.

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

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of non-current assets relating to land, buildings and website images at their value to the business by reference to their current costs or perceived market value. Other classes of assets are carried at depreciated or amortised historic cost.

1.2 Basis of Accounting

These accounts reflect the assets and liabilities and the results for the year of NRS.

1.3 Non-Current Assets: Property, Plant and Equipment

Title to the freehold land and buildings shown in the accounts is held as follows:

- property on the departmental estate, title to which is held by Scottish Ministers;
- property, not being part of the departmental estate, held by NRS in the name of the Scottish Ministers.

Freehold land and buildings are shown at fair value less subsequent depreciation using professional valuations every 5 years and appropriate indices in intervening years. Other non-current assets are shown at historic cost net of depreciation as a proxy for fair value.

The minimum level for capitalisation of a non-current asset across asset categories are as follows:

<u>Property Plant and Equipment</u>	£'000
Freehold Land and Buildings	20
Specialised Shelving and Plant and Equipment	10
Vehicles and Office Equipment	5
ICT Systems	1
Antiques and Works of Art	20

Costs for Property, Plant and Equipment include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Freehold land and assets held for sale are not depreciated.

Depreciation is provided on property, plant and equipment on a straight-line basis at rates sufficient to write down their cost or revalued amounts to their residual values over their estimated useful lives. The depreciation rates for the principal categories of assets are as follows:

	Years
Buildings	2-50 (as per valuation)
Specialised Shelving	10-20
Plant and Equipment and Vehicles	5
Office Equipment and ICT Systems	3-5
Antiques and Works of Art	25-30

1.4 Non-Current Assets: Intangible Assets

Intangible assets are shown at historic cost net of amortisation as a proxy for fair value.

During the year, a review of Website Images was undertaken. Management reviewed the existing approach in line with IAS 38 and confirmed that the useful life and valuation continue to be appropriate. No impairment was necessary following this review.

The minimum level for capitalisation of a non-current asset across asset categories are as follows:

	£'000
Website Images	5
Computer Software and Computer Licences	1

Costs for intangible assets include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Amortisation

Amortisation is provided on intangible assets on a straight-line basis at rates sufficient to write down their cost amounts to their residual values over their estimated useful lives. The Amortisation rates for the principal categories of assets are as follows:

	Years
Website Images	60
Computer Software and Computer Licences	3-5

1.5 Third Party Assets

The NRS holds, as custodian or trustee, certain assets belonging to third parties. These are not recognised in the accounts since neither NRS nor government, more generally, has a direct financial beneficial interest in them.

1.6 Heritage Assets

Heritage Assets are defined as tangible items with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

NRS is responsible for holding and maintaining a wide range of historical records, portraits and current data in the care of Scottish Ministers. Given the nature of these assets it is not possible to obtain a reliable valuation for them. Accordingly they have not been capitalised.

Therefore these records have been treated as operational heritage assets in that they are held primarily for the purposes of the nation's heritage.

1.7 Assets Held for Sale

Since 31 March 2013, Station Road has been recognised on the Non-current Asset Register as an asset held for sale and has been measured at the lower of the carrying amount and fair value. Station Road previously operated as a repository for records but has been classified as an asset held for sale under IFRS 5 on the following basis:

- It is available for immediate sale;
- A plan is in place, supported by management, and steps have been taken to progress to sale;
- It was actively marketed and the sale was concluded 3 April 2014.

1.8 Operating Income

Operating income is income that relates directly to the operating activities of NRS. It includes fees and charges for services provided to external customers. It includes both income applied without limit and income applied with limit. For income categorised as being applied with limit any excess income over that approved, is surrendered to the Scottish Consolidated Fund.

NRS recognises the full income received from our ScotlandsPeople website with the payment to the appointed contractor recognised within Supplies and Services, which reflects our website contractors acting on our behalf as 'agent'.

Where contractually any income is paid in arrears, income will be recognised up to the year-end and a provision created to accrue, where necessary.

Trade Receivables

Trade receivables are recognised at fair value. NRS holds no provision for bad debts as the majority of transactions are with other government departments and of low value so not considered to be a risk to the organisation.

1.9 Administration Expenditure and Income

The Statement of Comprehensive Expenditure analyses administration costs that reflect the costs of running NRS as defined under the administration cost control regime, together with associated operating income. Income analysed in the notes is offset against gross administrative costs, determining the outturn against the administration cost limit.

Trade Payable

Trade payables are recognised at fair value and calculated on an accruals basis.

All operations of the NRS are deemed to be continuing operations.

1.10 Grants

Grants payable or paid are recorded as expenditure in the period in which the recipient carries out the activity which creates the entitlement. Where necessary, obligations in respect of grant schemes are recognised as liabilities.

1.11 Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used.

1.12 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a defined benefit scheme and is unfunded and non-contributory. Portfolios, Agencies and other bodies covered by the PCSPS recognise the expected cost of providing pensions for their employees on a systematic and rational basis over the period during which they benefit from their services to the PCSPS of amounts calculated on an accruing basis. (Relevant disclosures are reported in the notes). Liability for payment of future benefits is a charge to the PCSPS. Separate scheme statements for the PCSPS as a whole are published.

1.13 VAT

VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.14 Leases

The leases entered into by NRS are classified as operational leases and, as such, the rentals are charged to the Operating Cost Statement over the term of the lease.

1.15 Segmental Reporting

Through the direction of the Accountable Officer, operating segments are reported in a manner consistent with the internal reporting provided, using critical accounting estimates and management judgements, to the Senior Management Team (SMT) and Management Board (MB), as the key decision makers for NRS. The Chief Executive and Accountable Officer form part of these groups who collectively are responsible for allocating resources and assessing performance of these operating segments.

2. Staff Numbers and Costs

2.1 The average number of whole-time equivalent persons employed (including senior management) during the year, analysed by Division, was as follows:

	2013-14 Average W.T.E Staff	2012-13 Average W.T.E Staff
Registration	36	40
Census	38	55
Demography	59	51
Data Linkage	31	14
Records and Archives	43	41
Public Services	100	108
Corporate Services*	88	90
Senior Management	10	8
TOTAL	405	407

*Staff numbers reported against Corporate Services incorporate any staff assigned during the year to a centrally managed budget for the purposes of managing maternity leave and long-term sick.

Average WTE staff numbers during 2013-14 can be broken down into 379 permanent staff and 26 temporary staff (2012-13: 378 and 29 respectively).

2.2 The aggregate payroll costs for all staff employed by NRS were as follows:

	2013-14			2012-13		
	Permanent Staff	Temporary Staff	Total Staff	Permanent Staff	Temporary Staff	Total Staff
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and Salaries	10,490	652	11,142	10,333	671	11,003
Social Security Costs	762	-	762	760	-	760
Pension Costs	1,884	-	1,884	1,774	-	1,774
Other Staff Costs	63	-	63	228	-	228
TOTAL	13,199	652	13,851	13,095	671	13,766

Staff in NRS are members of the Principal Civil Service Pension Scheme.

During the year there were no payments made from NRS to Ministers or Special Advisers.

Principal Civil Service Pension Scheme (PCSPS)

The PCSPS is an unfunded multi-employer defined benefit scheme. The PCSPS is unable to identify the Scottish share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007. Details can be found in the separate scheme statement for the PCSPS (Cabinet Office: Civil Superannuation www.civilservice-pensions.gov.uk).

For 2013-14 employers' contributions of £1.884m (2012-13: £1.774m) were payable to PCSPS at one of five rates in the range 16.7 to 24.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2013-14 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions were paid to one or more of a panel of four appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions (0.8% of pensionable pay) were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees. There were no contributions due to the partnership pension or prepaid at the balance sheet date.

For 2013-14 the value of Employers' Contributions relating to the partnership pension account was £15,632.37 (2012-13: £13,094.80).

3. Operating Expenditure

3.1 Analysis of Programme Expenditure

	2013-14	2012-13
	£'000	£'000
Business Archive Grants	140	140
Capital Grants	800	-
Total	940	140

3.2 Non-Cash Items

	2013-14	2012-13
	£'000	£'000
Depreciation and amortisation	1,530	1,605
Loss on disposal of assets	-	646
Audit fee	57	60
Total	1,587	2,311

A further breakdown of in-year depreciation and amortisation is provided in Note 7.

3.3 Other Operating Expenditure

There is £874K of expenditure relating to operating leases arrangements for properties recorded within Administration Expenditure (2012-13: £872K).

4. Operating Income

4.1 Administration income

	2013-14 Income Applied £'000	2012-13 Income Applied £'000
Fees and charges to external customers	5,769	6,063
Fees and charges to other departments	923	1,036
Total Administration Income	6,692	7,099

Administration Income includes recoverable VAT on business activities and that recoverable under Section 27(2A) of the VAT Act 1983 (subsequently replaced by Section 41(3) of the VAT Act 1994), together with rental income from minor occupiers of Civil Estate property.

Receipts from fees and charges arise from a range of services provided to customers, including income from the sale of extracts through both our ScotlandsPeople Centre and ScotlandsPeople Website, contracted income from the Scottish Government to maintain the National Health Service Central Register and rental income from tenants.

NRS receives an income stream from the operation of the ScotlandsPeople website, which enables access to a range of information we hold in our registers. We have grossed up income in our accounts to include our website contractors share of income, following a review of our contractual position on 1 September 2010 that acknowledges that our website contractors act as an 'agent' on our behalf.

There is no interest receivable to be recorded within the Operating Cost Statement. Income Not Applied includes amounts for surrender to the Consolidated Fund.

4.2 Operating income received from external and public sector customers analysed by services provided is as follows:

Service Provided	Income Received £'000	Full Cost £'000	Surplus/ (Deficit) £'000
Change of name, vital events sales, extracts, microfilm, microfiche and public charges	2,294	2,498	(204)

Financial Objective:

In partnership with the Lyon Office, meet the cost of running the ScotlandsPeople Centre service to enable investment in making additional services and records more accessible to customers.

Performance against the Financial Objective:

In 2013-14 there was a deficit arising from providing SPC campus services, mainly as a result of a drop in income. A review of the memorandum trading account arrangements will be necessary in early 2014-15 to reflect upon the performance of this objective alongside the wider remit of our Public Services across NRS.

Maintenance of the National Health Service Central Register (NHSCR) of patients and associated research data sales	1,007	963	44
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Financial Objective:

To meet the cost of running the National Health Service Central Register which we provide as a service to the NHS and the Improvement Service through funding received from the Scottish Government.

Performance against the Financial Objective:

In 2013-14 there was a small surplus arising from providing these services. A review of the memorandum trading account arrangements will take place in early 2014-15 to determine what the impact on the level of service provided to the NHS and Improvement Service will be, following proposed reductions of 7% in the level of NHS contract income.

This reporting of income received on a segmental basis complies with the requirements of HM Treasury's 'Fees and Charges' Guide and the Scottish Public Finance Manual.

5. Reconciliation of Net Operating Cost to Net Resource Outturn and Resource Budget Outturn

	2013-14	2012-13
	£'000	£'000
Net Resource Outturn	19,316	20,423
Of Which:		
Departmental Expenditure in DEL	19,316	20,423
Main Departmental Programmes in AME	-	-

Reconciliation of net operating cost to the net Resource outturn and resource budget outturn Current Year 2013-14.

Net operating cost is the total of expenditure and income appearing in the Operating Cost Statement. Net resource outturn is the total of those elements of expenditure and income that are subject to parliamentary approval and included in Scotland's Budget Document.

6. Analysis of Capital Expenditure

	2013-14	2012-13
	£'000	£'000
National Records of Scotland	557	1,899

7. Non-Current Assets – Property, Plant and Equipment for the current year 2013-14

	Freehold Land	Buildings	Office Equipment	Vehicles	Plant and Equipment	ICT Systems	Specialised Shelving	Antiques and Works of Art	Assets under Construction	Assets Held for Sale	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation											
At 1 April 2013	1,790	10,260	875	96	873	5,163	2,861	3,040	-	1,000	25,958
Additions	-	-	-	-	-	263	-	-	243	-	506
Revaluation	-	50	-	-	-	-	-	-	-	-	50
At 31 March 2014	1,790	10,310	875	96	873	5,426	2,861	3,040	243	1,000	26,514
Accumulated Depreciation											
At 1 April 2013	-	1	801	49	598	3,939	1,893	427	-	-	7,708
Charged in year	-	448	21	14	65	498	86	113	-	-	1,245
Revaluation	-	(449)	-	-	-	-	-	-	-	-	(449)
At 31 March 2014	-	-	822	63	663	4,437	1,979	540	-	-	8,504
Net book value current year	1,790	10,310	53	33	210	989	882	2,500	243	1,000	18,010
Net book value prior year	1,790	10,259	74	47	275	1,224	968	2,613	-	1,000	18,250

As part of a rolling 5-year programme, General Register House, New Register House, West Register House, Thomas Thomson House and Station Road were valued independently as at 31 March 2014 by GVA Grimley, International Property Advisors, on the basis of Fair Value in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors. The result of this valuation was a revaluation gain of £499K.

With exception to West Register House (long-term leased property), all non-current (tangible) assets disclosed within the asset classes above are owned by NRS.

As at 31 March 2014, Station Road has continued to be classified as an asset held for sale, the sale was concluded 3 April 2014.

7. Non-Current Assets – Property, Plant and Equipment for prior year 2012-13

	Freehold Land		Office Equipment		Vehicles		Plant and Equipment		ICT Specialised Systems		Antiques and Works of Art		Assets Held for Sale		Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Cost or valuation															
At 1 April 2012	2,060	11,090	875	84	720	4,649	2,861	3,040							25,379
Additions	-	919		12	153	514									1,598
Disposals	-	(665)													(665)
Revaluation		(354)													(354)
Transfers In/(Out)	(270)	(730)													-
At 31 March 2013	1,790	10,260	875	96	873	5,163	2,861	3,040	1,000	1,000	1,000	1,000	1,000	1,000	25,958
Accumulated Depreciation															
At 1 April 2012	-	-	777	38	559	3,333	1,800	314							6,821
Charged in year	-	508	24	11	39	606	93	113							1,394
Disposals	-	(18)													(18)
Revaluation	-	(489)													(489)
At 31 March 2013	-	1	801	49	598	3,939	1,893	427	-	-	-	-	-	-	7,708
Net book value current year	1,790	10,259	74	47	275	1,224	968	2,613	1,000	1,000	1,000	1,000	1,000	1,000	18,250
Net book value prior year	2,060	11,090	98	46	161	1,316	1,061	2,726	-	-	-	-	-	-	18,558

7. Non-Current Assets – Intangible Assets

	Computer Licences £'000	Website Images £'000	Computer Software £'000	Total £'000
Cost or Valuation				
At 1 April 2013	941	7,900	1,224	10,065
Additions	51	-	-	51
Disposals	(2)	-	-	(2)
At 31 March 2014	990	7,900	1,224	10,114
Accumulated Amortisation				
At 1 April 2013	820	534	982	2,336
Charged in year	52	139	94	285
Disposals	(2)	-	-	(2)
At 31 March 2014	870	673	1,076	2,619
Net book value current year	120	7,227	148	7,495
Net book value prior year	121	7,366	242	7,729

All non-current (intangible) assets disclosed within the asset classes above are owned by NRS.

7. Non-Current Assets – Intangible Assets (Prior Year)

	Computer Licences £'000	Website Images £'000	Computer Software £'000	Total £'000
Cost or Valuation				
At 1 April 2012	844	7,900	1,020	9,764
Additions	97	-	204	301
At 31 March 2013	941	7,900	1,224	10,065
Accumulated Amortisation				
At 1 April 2012	783	395	947	2,125
Charged in year	37	139	35	211
At 31 March 2013	820	534	982	2,336
Net book value current year	121	7,366	242	7,729
Net book value prior year	61	7,505	73	7,639

8. Movements in Working Capital other than Cash

	2013-14	2012-13
	£'000	£'000
(Increase)/decrease in receivables	(66)	852
(Decrease)/increase in payables	(1,238)	565
Total	(1,304)	1,417

9. Trade and Other Receivables

	2013-14	2012-13
	£'000	£'000
Amounts falling due within 1 year		
Trade receivables	72	160
VAT	16	142
Prepayments and accrued income	842	495
Other receivables	390	450
Total Receivables falling within one year	1,320	1,247
Amounts falling due after 1 year		
Prepayments and accrued income	147	154
Total Receivables falling after one year	147	154
Total Receivables	1,467	1,401
Other Central Government Bodies	5	229
Local Authorities	54	5
NHS Bodies	6	3
Bodies External to Government	1,402	1,133
Public Corporations and Trading Funds	-	31
Total Receivables	1,467	1,401

10. Cash and Cash Equivalents

	2013-14	2012-13
	£'000	£'000
At 1 April	1	1
Movement	-	-
At 31 March	1	1
Commercial banks and cash in hand	1	1
At 31 March	1	1

11. Trade and Other Payables: Amounts Falling Due Within One Year

	2013-14	2012-13
	£'000	£'000
Trade payables	525	80
Deferred income	70	8
Employee Benefits	845	790
Accruals	462	2,262
Total payables	1,902	3,140
Movement	(1,238)	565
Other Central Government Bodies	21	912
Local Authorities	22	1
NHS Bodies	16	4
Bodies External to Government	1,843	2,223
Total payables	1,902	3,140

There were no amounts falling due over more than one year.

12. Provisions for Liabilities and Charges

	2013-14	2012-13
	£'000	£'000
Balance as at 1 April	548	725
Discounting of Provision	(7)	(13)
Amounts utilised in year	(160)	(164)
Balance as at 31 March	381	548

During financial year 2013-14, no NRS employees were awarded early retirement.

This balance as at 31 March 2014 represents an estimate of the future annual payments that NRS must make in relation to retirements up to March 2019. There is little uncertainty over future payments from this provision, although over time marginal variations may occur in the annual amount payable.

NRS has reviewed the accuracy of provision held as payments arise and, where necessary, reviews the level of the sum provided. As at 31 March 2014, the liability for provisions has been reduced by £7K in accordance with HM Treasury guidelines.

13. Reporting of Civil Service and Other Compensation Schemes

Exit packages 2013-14

	2013-14	2012-13
Exit package cost band	Number of other departures agreed	Number of other departures agreed
less than £10,000	-	-
£10,001 to £25,000	-	6
£25,001 to £50,000	-	3
£50,001 to £100,000	-	-
£100,001 to £200,000	-	-
over £200,000	-	-
Total number of exit packages	-	9
Total resource cost	-	£179,487

For the year 2013-14 there were no agreed exit packages from the Civil Service or other compensation schemes.

Departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full when departure is agreed. Where the Scottish Government and NRS has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

14. Commitments Under Operating Leases

	2013-14 Land and Buildings £'000	2012-13 Land and Buildings £'000
At 31 March 2014 the department was committed to making the following payments in respect of operating leases:		
- Within 1 year	874	874
- Between 2 and 5 years	3,496	3,496
- After 5 years	803	1,876
Total	5,173	6,246

These operating leases are in respect of rent for Ladywell House and Cairnsmore House, where rental fees are reviewed every 5 years. Current rental fees for these buildings are £810K and £64K respectively. The next rental review for Ladywell House is on 26 January 2016, the lease expiry date is in 2019. Similarly, the next rental review for Cairnsmore House is on 1 June 2017, the lease expiry date is in 2022.

15. Other Commitments

	2013-14 £'000	2012-13 £'000
Grant and other commitments at 31 March 2014 for which no provision has been made.	500	1,100

These commitments reflect the capital budget for the following year, which is fully committed to support the delivery of projects and the maintaining of our asset infrastructure.

16. Related Party Transactions

NRS maintains the National Health Service Central Register of patients on behalf of the Scottish Government. The Scottish Government is regarded as a related party with which NRS has had various material transactions during the year.

In addition, NRS has had a number of transactions with other government departments and other central government bodies.

During the year there were no material transactions by board members, key managerial staff or other related parties.

17. Contingent Liabilities

There were no contingent liabilities for the 2013-14 financial year (2012-13: nil).

18. Financial Instruments

As the cash requirements of NRS are met through the Scottish Parliament's Budget Act process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with NRS's expected purchase and usage requirements and NRS is therefore exposed to little credit, liquidity or market risk.

19. Segmental Analysis as at 31 March 2014

NRS strategic objectives is supported by the ongoing work of the following seven Divisions:

- **Registration:** Responsible for the administration of civil registration of vital events (births, deaths, stillbirths, marriages, civil partnerships, divorces, dissolution of civil partnerships, gender recognition and adoptions). It is also responsible for the administration of the statutes relating to the legal preliminaries to marriage and civil partnership, and the solemnisation of civil marriages and registration of civil partnerships. It looks after the IT systems which make possible the electronic capture and distribution of information for registration purposes.
- **Census:** Responsible for the ongoing delivery of the results from the 2011 Census programme. Census results help to plan a better future for Scotland and its local communities. Central and local government, health authorities, businesses and community groups all benefit from the availability of Census information.
- **Demography:** Publishes statistical information about the people of Scotland such as births, deaths, migration, population estimates and projections. These statistics are used by the Scottish Government, local authorities and others to inform policies and also to help in planning.
- **Public Services:** Encompasses NRS's public services, both on-site and online. On-site services include Extract Services, ScotlandsPeople, the Historical Search Room and the Legal Search Room, as well as a special service for adopted individuals. It meets NRS's statutory duty to provide extracts from various legal registers including the registers of births, deaths, marriages, civil partnerships, adoptions, and sasines. The NRS's education and outreach programmes, its online resources team, digital imaging unit and the Scottish Register of Tartans are also housed in this division.
- **Records and Archives Services:** Deals with issues related to archives and record-keeping. It selects, preserves and conserves, and catalogues records of permanent historical value in all formats created by outside bodies and NRS. It leads on the development of guidance for the new Public Records (Scotland) Act 2011 and advises government bodies, the courts, private and corporate owners about their record-keeping responsibilities. This Division has an important role in ensuring that, along with other national archives around the world, NRS remains at the forefront of new developments in record-keeping.
- **Data Linkage:** The Data Sharing and Data Linking Service (DSLs) will be delivered through collaboration between NHS National Services Scotland (NSS), and National Records of Scotland (NRS) and operated within the linkage framework under the direction of a Governing Board.
- **Corporate Services:** Supports the work of other branches in the department. It is responsible for budgeting and spending reviews and revisions, coordinating and monitoring the corporate planning process. It arranges the supply of accommodation, voice and data communications, ICT, learning and development and office services. It liaises with the Scottish Government divisions who provide NRS with personnel, ICT and financial services.

These divisions are the basis on which NRS monitors its operations and upon which decisions are made by Senior Management.

Senior Management review the operating cost income and expenditure to make decisions but do not allocate assets to the segments. Accordingly, asset information is not disclosed.

The table below analyses 2013-14 operating cost income and expenditure across all Divisions, including Senior Management.

	Staff Costs £'000	Administration Expenditure £'000	TOTAL EXPENDITURE £'000	Administration Income £'000	TOTAL NET OPERATING COSTS £'000
Segmental Reporting of 2013-14 Outturn					
Registration	1,132	98	1,230	(207)	1,023
Census	1,344	820	2,164	-	2,164
Demography	1,840	206	2,046	(1,022)	1,024
Public Services	2,643	1,610	4,253	(4,731)	(478)
Records and Archives	1,510	267	1,777	(64)	1,713
Data Linkage	1,042	1,110	2,152	(17)	2,135
Corporate Services	3,494	6,385	9,879	(651)	9,228
Senior Management	695	75	770	-	770
	13,700	10,571	24,271	(6,692)	17,579

Reconciliations of the total segment measures to respective items included in the financial statements are as follows:

	Note	Total £'000
Segmental Total Expenditure		24,271
Adjust for Non-cash Items:		
Depreciation and amortisation	<u>7</u>	1,530
Auditor's Remuneration	<u>3</u>	57
Adjust for Non-cash Items:		
Discounting of Provision for Approved Early Retirement		7
Maternity Leave		87
Employee Benefits		56
Gross Operating Costs as per Statement of Comprehensive Expenditure		26,008
Segmental Total Income		(6,692)
Total Net Operating Costs as per Statement of Comprehensive Expenditure		19,316



NATIONAL RECORDS OF SCOTLAND

Direction by the Scottish Ministers in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

1. The statement of accounts for the financial year ended 31 March 2012 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
2. The accounts shall be prepared so as to give a true and fair view of the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
3. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 6 June 2012

GLOSSARY OF TERMS

Departmental Expenditure Limit (DEL)

Public Expenditure within departmental programmes which form Departments' multi-year budget plan against which departments manage their spending. Departmental Expenditure Limits will identify separate elements for capital and current spending.

Annually Managed Expenditure (AME)

Public Expenditure within departmental programmes but outside the Departmental Expenditure Limit and managed annually because it cannot reasonably be subject to firm multi-year limits, or should be subject to special handling.

Depreciation

An annual charge to the Operating Cost Statement reflecting the consumption of Non-Current Assets. This is referred to as depreciation.

Resource Accounting

The application of accruals accounting for reporting the expenditure of central government and a framework for analysing expenditure by departmental objectives, relating these to outputs where possible.

Resource Budgeting

Planning and controlling public expenditure on a resource accounting basis.

Budget Document

A Statement presented to the Scottish Parliament of the estimated expenditure of a department which asks for the necessary funds to be approved.

Statement of Comprehensive Expenditure

A Statement showing the resources consumed during the year in support of the Department's programme expenditure or administration expenditure, net of income applied.