



FORRESTER MINI FESTIVAL, MAY 2011

Our national team, on the back of last summer's historic tour to Argentina, continued with two out of three victories in the EMC Autumn Tests, including a thrilling win over world cup holders, South Africa, at Murrayfield. Those achievements saw our IRB ranking rise to sixth in the world.

As a consequence, we entered the RBS 6 Nations in great heart and full of optimism. Despite good showings in Paris and London, we disappointed against Wales and Ireland at Murrayfield; however our win over Italy saw us finish fifth in the Six Nations. We were encouraged by the performances of new young players including Joe Ansbro and Ruaridh Jackson and by the blossoming – and sizeable – talents of Richie Gray.

Neither Glasgow nor Edinburgh were able to build on the promise of last year's performances in the Magners League and Heineken Cup; however our club sides — Ayr, Melrose and Currie — gave good accounts of themselves in the British & Irish Cup. Scotland's under-20 side had a disappointing Six Nations as did Scotland Women.

Meanwhile it has been heartening to watch the development of some of our age grade players. Our under-17 and under-18 teams began their seasons with away victories over their English counterparts and followed up with unbeaten runs at the Wellington Festival, for Scotland under-17, and at the FIRA / AER tournament in France, for Scotland under-18. I look forward to watching these players progress over the coming years.

Last year's continued increase in playing figures meant we had exceeded the aim of our strategic plan, ahead of schedule, and we had hoped to issue the new plan during the spring. Given the above international results, however, we felt the initial projections should be revised and thus will be looking to issue that document in the near future; thanks to much hard work done, to date, by many people in this area.

It's been a very positive year in many parts of the game. We have more men, women and children playing rugby in Scotland than in recent years and in a safe, fun environment. Launched in 2009, Scottish Rugby's Are you ready to play Scottish Rugby has been fortunate, again, to benefit from the Scottish Government's Cashback for Communities funding, whereby the proceeds of crime money is invested in the delivery of free playing and coaching opportunities for children across Scotland. This funding has continued to help us recruit and train more coaches and development officers and has allowed many more youngsters in areas of urban and rural deprivation to be introduced to and take up rugby, so benefiting their health and wellbeing in the process.

To further encourage participation in the years ahead we secured new funding to support our clubs to improve their facilities through our newly established club facilities fund. This important investment, secured by Scottish Rugby, from the Government, follows our concerted efforts in demonstrating that it is vital to support our great game and our clubs through investment in improved facilities, thereby ensuring the rugby players of the future, along with those currently playing the game, have access to the appropriate facilities.

Scottish Rugby's financial profile continues to be strong, despite the continued economic downturn. This year we have increased income and investment in all areas of the game for the fifth successive year and reported a surplus of £1.3m for the year. The Board is considering various alternative ways in which the supplies may be utilised.

This continued confidence in our finances has led to us welcoming some significant new sponsors on board this season. Our national team sponsor, Murray, extended their partnership with us until the end of the Six Nations and I would like to thank them for their steadfast support over the last four seasons. Then, in December, we were delighted to announce the arrival of RBS into the squad. In our biggest sponsorship deal to date, they will not only become the main sponsor of our national team but of all our other representative and women's sides, our leagues and club competitions at all levels. Globally renowned information storage providers, EMC, joined us this season as Test series sponsors. Along with Canterbury, Scottish Rugby is well set with sponsors to help develop the game in our country.

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### FINANCE DIRECTOR'S REVIEW EAUTORY EAU

## I AM PLEASED TO REPORT INCREASED INCOME AND INVESTMENT IN ALL AREAS OF THE GAME FOR THE FIFTH SUCCESSIVE YEAR AND A SURPLUS OF £1.3M FOR THE YEAR.

Cash flow remains strong, with average 2010/11 bank borrowings of £14.4m compared to £14.8m in 2009/10. At the same time, we are continuing our programme of investment in Murrayfield Stadium in order to maintain the world-class status of our primary asset.

The main headlines of the Income & Expenditure Account and the Five Year Summary included in pages 48-57 are:

### INCOME

Income of £35.1m for 2010/11 is £1.5m over the previous year and £9.5m over 2006/07, reflecting significant increases in all of our revenue streams.

Murrayfield Ticket revenues increased from £6.3m in 2009/10 to £8.5m in 2010/11 mainly due to the three RBS 6 Nations fixtures compared to the previous year's two fixtures and increased income from the 2010 Autumn Tests (New Zealand, South Africa and Samoa) versus the previous year (Australia, Argentina and Fiji). Broadcasting revenues of £11.5m were broadly in line with 2009/10 revenues. Other revenues of £15.1m include income from commercial sponsorship, match hospitality and conferencing activities, professional rugby (primarily from ERC and the Celtic League), merchandising and grant income. The net decrease of £0.5m from the previous year reflects reduced non-rugby event income and income received in 2009 from the British Lions tour which is partly offset by additional professional rugby income and other variances.

### **PROFESSIONAL RUGBY**

Our gross investment in Edinburgh Rugby and Glasgow Warriors player and support costs for 2010/11 amounted to £10.0m which is £0.3m above 2009/10 and £2.1m above 2006/07, a substantial increase particularly given that the latter also included the costs of the Border Reivers. At the same time, the net costs of professional rugby have been reduced from £4.6m in 2009/10 to £3.7m in 2010/11 due to the additional professional rugby income.

### INTERNATIONAL RUGBY

A total of £6.7m was invested in the Scotland team and all other age-grade and representative teams including all related support costs. This compares to £6.4m in 2009/10 and £4.1m in 2006/07 which demonstrates our commitment to investment in the development of our national teams.

### COMMUNITY AND PERFORMANCE RUGBY

Investment in Community and Performance Rugby increased to £4.2m from £3.9m in 2009/10 and £2.3m in 2006/07, reflecting additional regional and performance development expenditure in line with Scottish Rugby strategy.

### **COMMERCIAL AND OPERATIONAL**

Commercial and Operational costs of £9.1m, incurred to support the revenue streams, were broadly in line with the previous year's total of £9.4m and compare to 2006/07 costs of £8.2m.

### **CLUB SUPPORT AND DEVELOPMENT**

Direct Club support and related development expenditure of £1.8m for 2010/11 was in line with 2009/10 expenditure and compares to expenditure of £0.6m in 2006/07. This reflects the ongoing funding of joint development officers and direct support to clubs including payment of club accident insurance premiums, club participation monies and club match officials' expenses.

### OTHER EXPENDITURE

Interest costs of £0.9m were broadly similar to 2009/10 costs. Depreciation of £1.0m is above the 2009/10 charge of £0.9m due to the ongoing capital expenditure investment in Murrayfield Stadium.

The exceptional credit of £0.8m included in the 2009/10 Income and Expenditure statement resulted from the release of the balance of the provision for the future costs of the closure of the Border Reivers pro team, in connection with the Netherdale ground rental agreement and other creditors. The balance was released following final agreement of all payments due to creditors.

Average employee numbers for the year were 283, the same as 2009/10. The notes to the financial statements include a detailed analysis of employees which demonstrates that most Scottish Rugby employees are directly involved in rugby operations.

### **CAPITAL EXPENDITURE**

Following previous years' investments in various areas including big screens, pitch lights and redevelopment of Murrayfield's training pitches, 2010/11 has seen further improvements including an upgrade to our main function suites, the President's and Thistle Suites. These suites were created at the time of the construction of the west stand in 1994 and their refurbishment, which was well overdue, is necessary to allow us to continue to generate hospitality and conferencing revenue.

### **BORROWINGS AND CASH FLOW**

Borrowing levels show an improvement over the previous year despite the ongoing investment in Murrayfield developments. Average borrowings for the year of £14.4m compare to the previous year's average of £14.8m. Year end debt of £12.7m is below the April 2010 year end debt of £15.1m mainly due to the financial surplus for the year and various working capital movements.





### DIRECTOR OF PERFORMANCE RUGBY



OVER THE PAST YEAR THE
PERFORMANCE DEPARTMENT
HAS FOCUSED ON DEVELOPING
INITIATIVES TO FURTHER DRIVE
THE DEVELOPMENT OF
INDIVIDUAL PLAYERS AS WELL

### AS PUTTING THE SUPPORT STRUCTURES IN PLACE TO FACILITATE THIS DEVELOPMENT.

Despite challenges at under-20 level, the successes of the age grade programmes at the under-17 and under-18 levels have been a positive step forward. We have seen some exciting new young players come through the age grade system and a strong level of commitment and dedication from the players and coaching teams.

A number of performance initiatives have been implemented to develop specialist rugby skills for players at all levels. This includes regional and national specialist skills sessions where Scotland's national team coaches delivered high quality coaching skills to local coaches whilst providing an excellent opportunity for our best young players to be coached by Andy Robinson and his coaching team.

Identification of our best players remains a priority and the performance department is continuing to review the pathway system to ensure players are supported better for a longer time. Strength and conditioning, sports science and medical support services are working closely to ensure the correct provision for each player at all stages of their development and during all aspects of their respective programmes.

The alignment of elite development players with the professional teams has allowed our best regional academy players to gain exposure in a pro team environment. Three of these players went on to receive the Macphail Scholarship, to train and play in New Zealand based at the Canterbury High Performance Unit. This is an example of the partnership and support we receive from the rugby community.

We have seen some really positive performances in the British & Irish Cup with Ayr making the quarter final and an exciting conclusion to Premier 1 with Melrose taking the title over the last few weeks of the competition. It is exhilarating to see a number of pro contracts coming straight from Premier rugby.

Winning remains the priority when developing and implementing performance initiatives. The performance department is focused on long term sustainable goals that continue to produce high quality Scotland internationalists and successful squads at all levels that inspire players and fans through quality rugby and winning teams.

A lot of hard work has been undertaken by committed staff and I would like to acknowledge this dedication and passion for Scottish Rugby that they share with the wider rugby community.

### **SCOTLAND**

The high point of the 2010/11 season for Scotland was unquestionably the victory over reigning world champions South Africa at Murrayfield last November

The 2010 EMC Autumn Tests began with a hiccup in Scotland's progress which had continued at the tail end of last season with a historic 2-0 series victory over Argentina, Scotland's first such success in the southern hemisphere.

The world's number one ranked side, New Zealand, won handsomely at Murrayfield in the opening EMC Test. But just one week later Scotland bounced back in style with a performance brimful of character and resolve which saw world champions, South Africa, downed spectacularly 21-17 by Andy Robinson's team.

That man, stand-off Dan Parks, once again kicked all of Scotland's points just as he had done in the first Test in Argentina, to herald a successful start to Rory Lawson's tenure as Scotland captain.

If Parks deserved the plaudits for his precise goal-kicking in far from ideal conditions, then there was an equally heroic contribution from Scotland's open-side flanker John Barclay, who won his second man of



the match title of the year. The result enabled Scotland to climb to sixth place – their highest ever position in the official IRB world rankings since they had been established in October 2003.

The autumn series concluded with a narrow victory over Samoa at snow-swept Aberdeen, and it was something of a fairy-tale ending for hometown stand-off Ruaridh Jackson whose successful penalty with the last kick of the game secured Scotland's win.

The 2011 RBS 6 Nations Championship began with Scotland scoring three tries in defeat to France in Paris through captain Alastair Kellock, flanker Kelly Brown and back Sean Lamont but the optimism that that performance engendered was rudely shattered by an abject loss to Wales on home soil.

Scotland improved in their subsequent two outings but were edged out at home by the Irish and, in spite of a fine individual try by Max Evans departed from Twickenham, so often the graveyard of Scottish hopes, with a defeat to the English.

The campaign ended with a morale-raising win against Italy courtesy of tries by Nick De Luca and Nikki Walker but the lesson of the 2011 tournament was that if Scotland do not deliver their top-drawer game then they cannot expect to win matches. Only our best performances will do.

### **SCOTLAND A**

It was a brief but memorable season for Scotland's A team as they recorded three victories from three fixtures between November and February. All matches, at Netherdale, benefited from free admission – supporters could also pick up free match programmes while being encouraged to donate to the Bill McLaren Foundation, benefiting the cause by thousands of pounds.

The head coach berth this season was filled by Nick Scrivener with Steve Scott as his deputy. Both Scrivener – then Edinburgh assistant coach – and Scott – then working with the national team as a senior specialist coach – had seen previous coaching duty with the squad, at the IRB Nations Cup in Romania in June.

First combatants, on Friday 19 November, were the USA. An eleventh hour amend saw Jack Cuthbert moved to the starting XV after Joe Ansbro was taken into the national side for the following day's game against South Africa. As the home side saw off the visitors 25-0, there was a brace of tries for Lee Jones, one of eight debutants, with David Blair (two penalties and a conversion) and Duncan Weir (conversion) adding the extras. There were plaudits for the work of the Scottish tight five while first-timers Stuart McInally and Rob Harley impressed with their energy in the back row.

The side produced a stirring second half performance on Friday 28 January to see off an international-laden Irish Wolfhounds before a vocal crowd of 3,346. After a slow-burning start, the Scots scored 23 unanswered points after half-time to record a 32-13 win at the Gala ground. Hefin O'Hare, one of three new A caps, crossed late on and there were standout performances from captain Greig Laidlaw (voted man of the match) and David Blair, who weighed in with five penalties and two conversions.

Overcoming both Italy A and intensely challenging playing conditions, Scotland A then made it three Netherdale wins out of three on Friday 4 February, despite twenty-four hours of almost incessant rain and wind taking their toll on the surface. An early try from Ryan Grant, later voted man of the match for a convincing display in the tight, set the Scots on their way, with two subsequent penalties from David Blair answered by just one from the Italians to make it 11-3.

**T - B:** The fab three - Ruaridh Jackson, Moray Low and Nikki Walker - pay homage to their north eastern beginnings as Scotland take on Samoa in Aberdeen; Scotland A v USA Eagles at Netherdale; Johnnie Beattie keeps his eye on the ball against Irish Wolfhounds; Scotland under-20 pack down against England under-20; Harry Leonard for Scotland under-20.







### **SCOTLAND WOMEN**

Last season ran seamlessly into this one as Scotland Women prepared for the 2010 Rugby World Cup in Surrey. After a non cap victory in July over Ireland, a squad of 26 was pooled with France, Canada and Sweden at the tournament in Guildford from mid August to early September. Defeats to Canada (10-37), France (7-17) and a win over Sweden (32-5) saw the Scots into a fifth place semi final play-off with Canada, the Scots going down 0-41. Despite losing their final fixture, the play-off for seventh place against Ireland (8-32), Scotland's final eighth position meant a move up of one spot in the world rankings. The match also saw the retirement of Scotland's most capped player, Donna Kennedy, her tally of 115 making her the world's most capped women's player ever.

An autumn of selection and Scotland Series games led into a capped friendly away against Spain in early January and a new coach in ex internationalist, Karen Findlay. The captain's armband passed to Susie Brown for the new season with a host of fresh faces in the squad for the RBS 6 Nations.

An experienced French outfit got the better of the new-look Scotland Women's side (53-3) in the tournament opener while at Burnbrae the following weekend, a fast-paced encounter against Wales ended in defeat for the home side (12-41). The third game, against Ireland at Lasswade, saw a much improved Scotland run Ireland close for much of the game, though the final score read 5-22 to the visitors. An outing on the international pitch at Twickenham, taking on their highly experienced English counterparts immediately after the men's Calcutta Cup fixture similarly ended in defeat (89-0). In the side's final Six Nations fixture at Meggetland, pressure couldn't be turned into points with the Italians taking the honours, 0-26. Planning is currently underway to enhance the performance programme as this young side continue their development in the new season.

### **SCOTLAND WOMEN UNDER-20**

Long-term improvement of the national side's competitiveness is the priority, going forward, with the introduction of an under-20s national performance squad underpinning the strategy. From its inaugural season in 2010/11, the squad will provide an environment for the improvement of young players, for the first time enabling them to develop their skills, fitness and playing experience at an elite level in advance of winning full caps for Scotland Women. The under-20s programme is also an opportunity to develop and test coaching talent for the future; the coaching team has an unrivalled pedigree in terms of skills and playing experience in the shape of Donna Kennedy and Claire Cruickshank, and is led by Jules Murciano, who coached Scotland Women A for three years. The side's first training match in England, against a vastly experienced England under-20 squad, set the benchmark at which the girls should be setting their sights for the future.

### **SCOTLAND 7S**

The action kicked off at the XIX Commonwealth Games in Delhi in October, Scotland's 12-man squad having a positive run despite falling short of winning the Plate in a gruelling final against Samoa. The Scots finished sixth, two places above their IRB ranking going into the tournament, and they reached the medal race for the first time.

Following the Commonwealth Games Stephen Gemmell stepped down as Scotland 7s head coach, after four years in charge. He was replaced by ex-Scotland internationalist Graham Shiel, whose first season in charge saw Scotland lift three Bowl trophies in George, Las Vegas and Twickenham. Scotland also reached the Bowl final in Edinburgh but were denied a fourth trophy by a competent Kenyan side.

The hiatus between the Commonwealth Games and the HSBC Sevens World Series also saw Scotland 7s captain, Scott Forrest, bow out due to ongoing injury. However, Scotland boasted a strong selection of professional, academy and club players across the year with the likes of Struan Dewar, Michael Fedo, Dougie Fyfe, Graham Fisken, Andrew Skeen, Fraser Harkness and Scott Riddell all making the step into elite rugby from the club game. Skeen, of Watsonians, had a fantastic debut sevens season recording a total of 201 points which placed him fifth in the Series points table. Andrew Turnbull crossed the threshold of 100 tries and Jim Thompson was joint top try scorer in Edinburgh after making six touchdowns across the two days.



The Emirates Airline Edinburgh Sevens demonstrated growth for the fifth year running as it recorded its highest crowd sales to date (26,405). This was a 3000 rise in attendance from the previous year and 6000 from two years ago. A new standing area was introduced at the tournament, behind the goal line at the north and south stands, which allowed the fans to get even closer to the action.

### **EDINBURGH**

Despite fluctuating form during the 2010/11 season, Edinburgh finished the season with grounds for optimism both on and off the field.

On the field, wing sensation Tim Visser once again topped the tryscoring charts in season 2010/11. In April, the Dutchman broke the record for the most individual scores in a Magners League season and was subsequently named in the competition's Dream Team for the second successive year, making the shortlist for the overall Players' Player of the season award.

Edinburgh supporters were delighted to see Visser sign a new two-year contract with the club, and a healthy mix of top performers and emerging prospects soon followed suit, with British & Irish Lions and Scotland hooker Ross Ford, centre James King, and backthree men Lee Jones and Tom Brown all committing their long-term futures to Edinburgh.

The latter two players are part of a new generation of talent now thriving in the capital. Back-rowers David Denton and Stuart McInally have both enjoyed fine debut seasons, winning selection for Scotland A and Scotland 7s, while promising stand-offs Harry Leonard and Matthew Scott will be allocated to the club in season 2011/12 as part of Scottish Rugby's Elite Development programme.

Edinburgh recorded a number of excellent wins this season, beating 2009 Heineken Cup winners Leinster, reigning Magners League champions Ospreys, Italian newcomers Aironi and Benetton Treviso, and traditional rivals Glasgow Warriors before passionate Murrayfield crowds. Away from home, Edinburgh were less successful, their inability to pick up points on the road a major factor in them finishing in the bottom half of the Magners League table. In the Heineken Cup, there was another tremendous home win, this time against French outfit Castres, but the capital club never really threatened to push on to the knock-out stages.

In the wake of the final pool fixture, against Cardiff Blues in January, Rob Moffat stood down as head coach, being replaced on an interim basis by his erstwhile assistant, Nick Scrivener. Michael Bradley, the former Ireland captain with a wealth of club and international coaching experience, has recently been appointed as new head coach. This is an exciting move for the club, as the man who guided Connacht to three Amlin Challenge Cup semi-finals will bring the wealth of determination, passion and vision that he has shown in his previous roles, which include stints as head coach of the Ireland national team and their under-21 and A sides.

Player visibility and accessibility are vital to the club's growth and over 800 player appearances have been delivered this season at local clubs, schools and other community groups. These visits remain a cornerstone of our plan to fully exploit our position as the only major professional sports club to represent the whole of Edinburgh.

**T - B:** Chris Paterson makes the break for Edinburgh; Lisa Martin for Scotland Women against France; Scotland's most capped player Donna Kennedy, retired on 115 caps following the final RWC fixture against Ireland in September 2010: Lee Jones for Scotland 7s against Argentina; Stuart McInally for Scotland 7s against Australia.





### **GLASGOW WARRIORS**

With a third place finish and qualification for the inaugural Magners League Play-offs secured only months previously, Glasgow Warriors began season 2010/11 determined to build on firm foundations.



For future rugby success, there was significant investment in the playing squad with the re-signing of Alastair Kellock, Jon Welsh, Ruaridh Jackson, John Barclay, Richie Gray, Moray Low, Bernardo Stortoni, Colin Gregor, Colin Shaw, Calum Forrester and Johnnie Beattie. At the same time, head coach Sean Lineen worked hard to add new faces Federico Aramburu, Alex Dunbar, Aly Muldowney, Henry Pygros, Duncan Weir, Ryan Grant, Ryan Wilson, Robert Harley and Tom Ryder, the loan signing from Saracens who would later return to Firhill as a permanent addition.

The level of competition in both tournaments in which Warriors play improves every year, and with the Magners League providing the Heineken Cup champions from three of the previous five seasons – plus the introduction of two new Italian teams (Benetton Treviso and Aironi Rugby) – the scene was set for another demanding season. Although the campaign began with a morale boosting 22-19 victory over Leinster at Firhill, overall the team fell short of supporters' expectations, finishing a disappointing 11th.

Making excuses is not part of the culture at Glasgow Warriors, but it is worth putting on record that for long periods this season the team was deprived of the services of four established Scotland internationals, our

core leadership group of Kellock, Beattie, Chris Cusiter and Graeme Morrison. Add to this list long-term injury lay-offs to Warriors stalwart, James Eddie and Scotland cap Rob Dewey, and a picture of frustrated ambition emerges.

It wasn't all doom and gloom, however, as the club registered three wins from six in Pool 6 of the Heineken Cup. Home and away victories over the Dragons and a memorable 20-10 Firhill success over Wasps meant 12 points and third place behind the High Wycombe outfit and four-time Heineken Cup Champions, Toulouse.

Home victories in the Magners League were also recorded against Ospreys, Aironi and Treviso with one victory on the road at Aironi. In terms of local bragging rights, pride remained intact when the Warriors retained the Greaves Sports 1872 Cup by one point, on aggregate, with a 30-18 home win over Edinburgh in front of 7,062 spectators, albeit losing the return leg at Murrayfield, 28-17.

Glasgow Warriors continued to make a significant contribution to the Scotland national team with more players on Andy Robinson's teamsheet than from any other club – a source of pride both to supporters and all the Warriors staff at our Scotstoun training base. Many congratulations should once again go to Warriors captain, Alastair Kellock, on fighting back from a long-term injury to lead Scotland throughout the 2011 RBS 6 Nations Championship.

With the help of the Warriors supporters and sponsors, whom all at the club would once again like to thank for their tremendous backing over the last 12 months, we will continue to deliver a team and club of which this great city can be proud.



### PERFORMANCE PLAYER DEVELOPMENT PROGRAMME

Scottish Rugby made a number of changes to the way in which its Performance Player Development Programme was structured this season as part of a co-ordinated approach to better prepare the talent of tomorrow. Nationally, forty-seven players were selected for the programme (formerly the National Academy) in a process that involved the Scotland team, pro team coaches, Scottish Rugby's performance staff and Scotland agegrade coaches.

Seventeen of these players were contracted to Scottish Rugby as part of the newly formed Elite Development Squads, which replaced the previous Central Academy. These players were aligned to and based with one of the two professional teams, Edinburgh and Glasgow Warriors, to enhance their development and have the appropriate opportunities to train and play in the professional environment. To support the development needs of these players, dedicated Elite Development Staff (coach, physio and strength and conditioning coach) were appointed with the responsibility to develop and monitor individual player development plans for each player. Throughout the season a number played Magners League and Heineken Cup rugby and one, Tom Brown, received a full-time contract with Edinburgh.

As part of their individual development plans, three Elite Development Players – Harry Leonard, George Turner and Grant Gilchrist – all received the John Macphail Scholarship, as part of an extended partnership with The Robertson Scholarship Trust, the Macphail family and Scottish Rugby. This has given all three players the opportunity to spend 14 weeks in the Canterbury Crusaders International High Performance Unit in Christchurch, New Zealand.

A further 30 players were selected into our Tier 3 programme and supported through the Institute Support Network, at a local level throughout the country. Each player's development was backed by individual player plans and supported locally by their respective Institutes in areas such as psychology, strength and conditioning, performance lifestyle, medical, nutrition and physiology. During the season Tier 3 players Murray McConnell, Mark Bennett and Harry Leonard were all rewarded for their performances by being promoted and gaining Elite Development contracts; nine more players were selected into the Elite Development Squads within our pro teams for season 2011/12.

Throughout the year, clubs and schools continued to play an important role in all the players' progress with the players training and playing regularly in these environments whilst continuing with their specific player development skills and conditioning programmes.

### **EXILES**

The Exiles programme completed its fourth season with six players being offered Academy contracts, a sure sign that there has been substantial growth. A programme for potential under-20 players, which included games against Belgium and Newcastle Falcons A, culminated in nineteen players being included in the national under-20 extended squad, with ten making the final cut.

With an emphasis on skills and the development of decision making amongst players, the under-17 and under-18 programmes led to good performances on the field and, subsequently, much recognition for the players at international level as eleven were included in these Scotland age grade sides.

As the programme has matured, an exciting development has occurred this year with some players choosing to continue their rugby in Scotland at Premier 1 and Premier 2 levels. This trend will hopefully continue as it provides a great route for Exile players into the senior game.

Future prospects are bright with a developing base of players, an increasing number of committed volunteers keen to assist, and an improved geographical spread of activity across the country.

**T - B:** George Turner, Harry Leonard and Grant Gilchrist, recipients of this year's Macphail Scholarship; Director of Performance, Graham Lowe, at a coaching day; John Barclay for Glasgow Warriors; Al Kellock with the 1872 Cup, won by Glasgow; Gregor Townsend at a High Performance coaching day.





### **SCOTLAND UNDER-20**

Head coach Peter Wright and fellow coaches Bryan Easson (backs) and Simon Cross (defence) kicked off Scotland under-20's season with a two-week training camp in January at Murrayfield which culminated in a 73-18 win over Scottish Universities in a trial match.

The youngest member of the Scotland under-20 team, centre Mark Bennett, won't forget his first cap in a hurry having scored against France the day after his 18th birthday in the opening game of the 2011 Under-20 6 Nations. Bennett's score however did not herald victory as Scotland were defeated by 49 points to five. The side were then undone (33-3) by their Welsh counterparts at Bridgehaugh the following week. Two disallowed tries meant the side then left Inverness with nothing to show from an improved performance in their third successive Six Nations defeat, to Ireland (0-15), before they became the latest victims of their all-conquering English counterparts, beaten 56-8 at Newbury two weeks later. The squad's 6 Nations campaign came to a hugely frustrating conclusion at Bridgehaugh the following week as they suffered a 9-7 defeat to their Italian opposition.

In May, however, Scotland under-20 secured a morale-boosting 18-15 win over England Counties under-20, in a warm-up match before this month's IRB Junior World Championship in Italy. The Scots began their Pool C campaign on Friday 10 June with a tie against South Africa in Padova, before moving on to nearby Treviso to tackle England on Tuesday 14 June. Their final group fixture saw them face Ireland in Rovigo on Saturday 18 June, before a ninth place play-off against Tonga beckoned.

### **SCOTLAND UNDER-18**

After returning from a two-week tour to Spain where the Scotland under-18 squad played Spain under-19, a training squad was selected to play top New Zealand rugby school, Palmerston North HS, in September. Monthly practices and selections followed, in preparation for the FIRA / AER qualifiers and then the FIRA / AER European U18 Championship which was held in the South of France, and a 34-strong squad gathered for the annual training camp in December 2010.

The team's opening fixture of the international season against Japan High Schools at Braidholm on 20 March saw the home side go down 13-20. They bounced back in some style the following weekend in the first qualifier for the FIRA / AER European Championship with a 26-21 victory over their English counterparts in Leeds. In the side's next qualifier however, at home against Ireland, the win wasn't replicated as a 12-31 loss put them in Tier 1 of the FIRA competition. A stand-alone international against Wales in Swansea saw the squad go down 45-29.

The squad, led by Dumfries centre Chris Auld, then travelled to France where their first Tier 1 tournament fixture saw them defeat Romania, 65-3. An 87-3 win over Germany followed by a 17-12 defeat of Italy saw the Scots unbeaten in the tournament and lift the FIRA / AER European Tier 1 Championship.

### **SCOTLAND UNDER-17**

Following national selection fixtures and two weekends in camp the squad, under the direction of new head coach Davy Wilson, travelled to Leeds to take on the full England under-17 team on 10 April. The young Scots dominated the game, coming away with a 30-10 win, setting

them up well for participation the following week in the Wellington International Festival in Berkshire.

The squad, comprising of players hailing from Oban to Orkney and Melrose to Mackie Academy, proceeded to beat allcomers over the course of their Festival week where they took on and defeated France A (32-10), England Blues (38-10) and England Reds (35-0). On their return north of the border, members of the squad were guests at Edinburgh's Magners League game against the Dragons on 22 April, taking part in a trackside question and answer session.

The age graders played their fifth, final and only home fixture at Selkirk RFC when a crowd of over 500 saw them take on France under-17 on 1 May. This was certainly the biggest team – in size – the side had met during their short season and the toughest fixture as the home side were defeated 5-25 by a physical French outfit.

Players will now go forward for consideration into the under-18 programme.



### **COACHING**

The coach development department delivered over 20 UKCC Level 1 courses in venues from Shetland to Stornoway and Cumnock to Meadowmill. Six Level 2 courses have also been delivered as well as the season-long Level 3 course for fifteen candidates which included assessment visits of them coaching in their clubs or schools. Work continues with Stirling University and our 3 Union partners in preparation for the launch of the UKCC Level 4 qualification which, at this stage, will be aimed at high performance coaches.

Developing players is not just about improving skills but also ensuring they are suitably conditioned to play the game. In conjunction with the Strength & Conditioning team, we run Strength and Conditioning Levels 1 and 2 (joint award by the UK Strength & Conditioning association) as well as Speed Development modules.

Alongside the regional development teams, our three Coach Development Officers also delivered CPD updates over a variety of age groups on ten topics.

Since its launch in 2010 the Club Coach Co-ordinator scheme (CCC) has gone from strength to strength. The relationship between the CCCs and the Coach Development Officers continues to be hugely important and should lead to an increased number of qualified coaches working at every age group.

This season saw the launch of the Key National Themes booklet and CDrom aimed at those coaching players aged 12 to 16. A Top Coaches DVD was also produced and distributed to every club and school, while the next DVD resource – aimed at Premier club coaches and containing footage of this season's High Performance Coaching Day delivered by our national team coaches – will be distributed to clubs by the start of the new season.

Coach development staff have also been helping the International Rugby Board (IRB) to develop the IRB RugbyReady suite of resources. This material will be reflected in a new manual and updated web site and will also feature in the 2011/12 RugbyReady courses which are mandatory for every coach in Scotland.

Throughout the season workshops have been run in conjunction with the University of Stirling and supported by **sport**scotland. Aimed at current and future high performance coaches, these Coaching Matters workshops were delivered by a series of experts with topics ranging from analysing your own coaching to creating high performance environments.

During the summer months Scottish coaches are taking up opportunities around the world as part of their ongoing development. This month the 6 Nations Coaching Conference in Italy was attended by Sean Lineen, Ben Fisher, Ally Donaldson, Alex Duncan, Mark McKenzie and Davy Wilson; Peter Wright, Bryan Easson and Simon Cross attended the under-20 Junior World Cup, also in Italy earlier in June; Peter Wright will spend two weeks in July in South Africa on the IRB Tops Course; and Iain Monaghan is currently in New Zealand working with the Canterbury Crusaders High Performance Unit.

**T - B:** Scotland under-20s in the shadow of Culloden; Scotland under-18 beat England under-18 in Leeds; Scotland under-18 v Ireland under-18; Scotland under-17 beat England under-17 in Leeds; Selkirk hosted Scotland under-17 against France under-17.





# COMMUNITY

### **COMMUNITY OVERVIEW**

This has been a challenging year for clubs and schools across the country, principally due to another year of extreme weather which effectively closed the game down in December and early January. Special mention must go to the competitions team and the national and regional championship committee members who have put a significant amount of effort into ensuring that all competitions were completed. Despite the weather, many initiatives were developed or introduced throughout the season which allowed our clubs and rugby playing schools to further develop and grow the game in partnership with Scottish Rugby, the Scottish Government, local authorities and many local and national sponsors. Central to the development of the game is the hard work put in by countless volunteers in clubs and schools across the country; the community team at Murrayfield continues to appreciate their invaluable work in growing the game in Scotland.

### **REGIONAL DEVELOPMENT**

Scottish Rugby currently has 92 development partnerships in place to help member clubs and local authorities develop the game across their communities. These are all subject to partnership and investment agreements with agreed performance indicators which are monitored by the Regional Development Managers and reviewed on a quarterly and annual basis. The 92 partnerships currently support 75 Club Development Officers and 49 Community Coaches studying with us for their Scottish Vocational Qualifications. This regional workforce introduces and develops rugby across Scotland in clubs and schools (primary and secondary) and helps progress our development programmes across Scotland; for a taste of the activity undertaken this year, read on.



### **FOOD STANDARDS AGENCY**

Working with the active schools network, the regional development team has delivered the Hygiene, Healthy Eating & Activity in Primary Schools (HHEAPS) programme to 6672 primary 5 and 6 pupils in 256 classes in 205 primary schools across Scotland for a fourth year.

The programme was created in partnership with The Food Standards Agency in Scotland, and involves development officers delivering a six-week block of rugby to pupils whilst they work through a mission book covering topics such as food hygiene and nutrition. Pupils receive goodies including a gym bag and certificate while the school receives a pack of equipment and a framed Scotland team photo.

To date, over 20,000 pupils have completed the programme with schools in all of Scotland's 32 local authorities taking part. The programme has proved invaluable in helping development officers take rugby into new primary schools. It also enhances the service that Scottish Rugby offers by making a contribution to the health agenda and helping improve participants' knowledge of nutrition and food hygiene. In several areas, HHEAPS festivals have been run to bring all the participating schools together at a local club or secondary school.

### YOUTH COACHING COURSE

The Youth Coaching Course has been specially designed to prepare those aged 15 to 19 for voluntary coaching roles and is sponsored by CashBack for Communities, the Government programme that channels proceeds of crime money into helping young people.

The course can be run in schools, rugby clubs or with community groups. It takes participants through four modules using classroom and practical sessions to build up their understanding, confidence and coaching skills to prepare them for RugbyReady – and possibly, UKCC level 1 – courses.

This season 826 young people have completed the course and gained valuable skills and coaching experience. Already proven successful in recruiting young people on to the SVQ Community Coach programme, it has helped development officers recruit new volunteers to support their schools and community programmes.

### **G4S STREET RUGBY**

Street Rugby aims to engage with young people, introduce them to rugby and, in doing so, provide a diversionary activity to those who might otherwise get involved in anti-social behaviour, or worse. It's a fun, flexible, non-contact version of the sport that is being taken into neighbourhoods — as advised by Community Safety Partnerships — all over Scotland.

The club development officer and SVQ student network has been working with these Community Safety Partnerships, police and youth projects to push back the boundaries of the sport through the introduction of G4S Street Rugby sessions at hundreds of venues, particularly in areas of rural and urban deprivation. Youth workers, community wardens, police, the fire service, youth groups, Community Safety Partnerships and many other local agencies have helped to make this programme a success. During season 2010/11 the team has carried out over 530 G4S Street Rugby sessions involving over 3000 young people.

**T - B:** Stirling County girls under-15 celebrate success in the Brewin Dolphin Scottish Girls Bowl; Simon Webster and John Barclay launch the 10th year of Brewin Dolphin competition; Girls' Festival at Burnbrae; Semi final action from the Brewin Dolphin Scottish Schools Cup; Graeme Morrison with youngsters in Kilmarnock.



# COMMUNITY

### SCOTTISH WIDOWS BANK RUGBY CHAMPIONS

Now in its third year of operation, and run in partnership with Scottish Widows Bank, the initiative aims to increase the number and amount of rugby played in state secondary schools while rewarding the dedicated school staff who give up their spare time to take extra-curricular rugby. The scheme has recruited 36 new schools this season, making a total of 264 schools which have signed up.

These registered rugby champions are rewarded with personal coaching kit while their schools are supplied with specialist rugby equipment for coaching and training – additional equipment is then provided as rugby develops at the school, in accordance with bronze, silver and gold levels of participation. This has resulted in a greater number of state schools introducing rugby to and running extra-curricular rugby for secondary school children.

Recently benefiting from the scheme were Douglas Ewart High School, Gordon Schools Huntly and Ross High School who were rewarded for reaching the gold standard with a coaching masterclass from Scotland under-20 coach Simon Cross.

### **SVQ COMMUNITY COACHES**

The SVQ/Modern Apprentice programme continues to thrive. There are currently 49 Community Coaches – based from Shetland down to

Dumfries and Galloway – either in the first or second year of the programme, expecting to complete their qualification in July 2011. They continue to deliver well planned, high quality and exciting sessions in primary and secondary schools and clubs whilst still finding time to complete their portfolio of evidence for their relevant qualification. A number of those leaving the programme are moving on to further or higher education as well as continuing with their coaching in a variety of capacities.

The highlight this year has not only been the number of festivals that have taken place across the country and number of children who have enjoyed the coaching but also that one of last year's Modern Apprentices, Tom Davidson, achieved national distinction. He not only won the Skills Development Scotland Modern Apprentice Award in his category (non traditional aged 16-19) but was also awarded the overall Scottish Modern Apprentice of the Year Award. The ceremony showcased those who have, through their involvement in Modern Apprenticeships, demonstrated initiative, enterprise and outstanding commitment to the improvement of skills development for the Scottish economy. Tom's success is an outstanding achievement and a first for Scottish Rugby, a national recognition of an excellent programme and of all the support given to it by schools, clubs, councils and other stakeholders.



### HIGHER AND FURTHER EDUCATION

Retaining players in sport as they move into adulthood is crucial and we have made a significant step forward here during the season. In the higher and further education sectors a number of support programmes ran across the season. Freshers 10s helps male and female student teams to recruit new players into their clubs. The Student Development Series (SDS) is a programme of one-off pitch-up-and-play events for college teams and university freshers/ new-start teams, where participants play a number of short tournament-style games. Further support is given locally to universities in running their inter-mural leagues and club development planning.

This season's most significant development was the creation of the Student Development Team — a group of part funded development officers and Student Rugby Development Co-ordinators (SRDCs) giving local support to their identified clubs and delivering the student participation programmes — Freshers 10s and the SDS — as well as co-ordinating the delivery of both coach and referee education courses for their clubs.

Concluding the season was the third annual Student Cup Finals for universities and colleges – held in Edinburgh in March – which involved the largest number of teams since its inception, a significant increase in teams coming from colleges and female university club students from across Scotland. Delivered by Scottish Rugby as an end-of-season celebration for student teams, it consists of several cup tournaments for male and female teams, played at 7-a-side. This allows for maximum participation by a broad variety of players from university rugby clubs, inter-mural teams, faculty teams, vets, medics, social and college teams. Playing for four men's cups and two women's cups, this year's event attracted over 600 participants and many spectators.

### SCOTLAND CLUB INTERNATIONAL

It was on 10 March 2006 that the 22 representatives of Scotland's club game first grouped together as a Scotland Club International side, taking on their Irish counterparts at Donnybrook in Dublin. This season saw the side compete in their ninth and tenth fixtures, against France in Orleans and at Netherdale, against Ireland.

Coached by Ally Donaldson and captained by John Dalziel, the team put up a brave fight in central France in February but ultimately fell to defeat (30-18). Despite providing a gripping performance, the visitors were undone by the physicality of the French.

The second fixture, four weeks later, saw Scotland and Ireland contest the Dalriada Cup for the first time. Presented by main Scotland sponsor RBS who, through the Irish arm of RBS (Ulster Bank), had a foot in both camps, the Cup was named following suggestions by staff from both banks, with Dalriada (which in Gaelic means 'the boundary of the Gaels'), proving to be the most popular.

Scotland dominated the first half, thanks to two opportunistic tries from Ayr centre Ross Curle, either side of a pair of penalties from Melrose stand-off Scott Wight, however a poor second forty minutes saw them surrender a 17-point lead and the inaugural Cup to their Irish counterparts (30-32). Scoring the last Scottish try was side stalwart Damien Kelly in his last outing sporting the thistle before he returned to the southern hemisphere later in the season.

**T - B:** Tom Davidson with his Modern Apprentice awards; Mackie Academy attempt to break the record for the longest pass; Watsonians v Stirling County; Glasgow girls get a taster rugby session; Jim Thompson presents Murray Hamilton of Oban HS with the Rugby Champions gold award.





# COMMUNITY

### **BRITISH & IRISH CUP**

The second season of the British & Irish Cup produced some intense competition with Scotland's representative sides Ayr, Melrose and Currie all adding to the excitement.



In Pool A, despite running Newport and Plymouth Albion close, Currie finished their tournament outing losing five out of five fixtures and finishing in last position. Registering two wins out of five in Pool B, Melrose recorded a memorable victory over Nottingham and ran Bristol close (26-29) in their final fixture.

Meanwhile, in Pool D, Ayr booked their place in the Cup quarter-finals with a superb win over Doncaster Knights (23-17) at a packed Millbrae, following defeats of Llandovery, Birmingham & Solihull, and a draw with Rotherham which put them in second place. They then just missed out on a semi-final slot after losing a thrilling 29-19 encounter with Bristol at the Memorial Stadium.

### **FESTIVAL OF RUGBY**

As the international proceedings took place on the main pitch at Murrayfield for the Emirates Airline Edinburgh Sevens, 1200 school aged children came together for a fun-filled, fair-play Festival of Rugby on the stadium's back pitches.

The event, which ran across the same two days as the Emirates Airline Edinburgh Sevens, saw 120 teams compete on the state-of-the-art training facilities. On day one there were four competitions and awards for under-18 males, under-18 females, under-15 females and S1 males; the first of these was a knockout cup competition with the remainder awarded on a fair-play basis. Selkirk were the winners of the under-18 males Cup beating West of Scotland in a thrilling finale which saw the victors sail to a 31-5 triumph. The Fair-Play Awards – for teamwork, conduct and sportsmanship – were won by Oban Lorne / Argyll (under-18 female), Nicolson Institute (under-15 female) and West of Scotland (S1 Male). This was the first ever competition that Nicolson Institute girls team had entered, making the long journey south from Stornoway even more worthwhile than initially anticipated.

On day two, a further two competitions were hosted for P6 and P7 boys and girls. In the former age group, Portobello came out on top and Gala Mini Maroons were the victors in the P7 tournament. The festival was enjoyed by the friends and families of all the competing teams, as well as many of the sevens audience for the internationals. Teams also had a chance on both days to parade along the fringes of the international pitch, waving flags which boasted their team colours.

### **COMPETITIONS**

In the face of lengthy periods of appalling weather over the winter months, all cup competitions and league fixtures culminated in May with Melrose RFC crowned Premiership Division 1 champions and Ayr securing the Premier Cup, having faced each other in both fixtures. In a similar situation for the women, Murrayfield Wanderers and Hillhead / Jordanhill not only met in the Sarah Beaney Cup final but also competed against each other in the last game of the season for league

honours – while Wanderers won the Cup, Hillhead / Jordanhill topped Premier 1 for the first time in their history.

Full results of all schools, youth, men's and women's competitions and league winners can be found in the results and awards section of this report (pages 32 to 41).

Both the League and Cup were run in new formats this season, following approval of the proposals at last year's agm. The second phase of the restructuring is planned to follow next season.

### **REFEREES**

Within the High Performance Referees Group, Scotland's two professional referees have had an action-packed season. Having been involved in officiating at the women's Rugby World Cup last summer and the Delhi Commonwealth Games in October, Andrew McMenemy was appointed to referee the final of the British & Irish Cup between Bristol and Bedford in May. Meanwhile Andrew Macpherson's season included being assistant referee at France v Argentina, Magners League and European Cup fixtures.

High Performance referee Neil Paterson is currently in Italy, on duty at the Junior World Championships and, at the match officials selection panel final meeting of the season, two of the Referee Senior Academy members were promoted into the High Performance group, namely





James Matthew and Cammy Rudkin; James was earlier involved in the HSBC Sevens World Series, refereeing the Bowl final in Hong Kong and the Plate final in Australia. The number of referees licensed this season has continued to increase and now stands at 3452, with 438 of these officials joining their local referee societies. A drop-off in numbers is expected, however, as a number of those required to renew their licence after the initial three-year period will not renew. This will be offset as the new season gets underway and clubs recruit members to attend the numerous courses provided by the referee development team.

### ARE YOU READY TO PLAY RUGBY

Launched in 2009, Scottish Rugby's *Are you ready to play rugby?* initiative aims to ensure that everyone involved is prepared appropriately to play, coach, teach and referee the game, and follows a consistent, safe and enjoyable approach on and off the field.

The practical RugbyReady update course is now a prerequisite to coach the game in Scotland and has been delivered to over 5000 coaches in around 90 different schools and clubhouses throughout the country.

The primary objectives of the course, which combines classroom-based and practical tuition, aim to identify key aspects of match preparation, correct technique, injury prevention and management, while also recognising the need to develop coaches and coaching at all levels of the game.

All of the safety initiatives introduced in 2009 to reduce the risk of serious injury in rugby were reviewed and updated for season 2010/11. Policy changes were made to U16 males in U18 rugby, U15 girls in U18 rugby, U18 in adult rugby; Player Dispensation; Age Grade Law Variations; Minimum Standards for Coaches, Teachers and Referees; and Injury Management.

Early indications on the initial impact of the changes in the boys' game are positive, however it is too early to say if this is a result of the changes that we have made, and conclusions can only be drawn after monitoring injury trends over a number of seasons. Scottish Rugby is currently reviewing all aspects of the policies and updating them for season 2011/12.

**T - B:** Max Evans and Kelly Brown with schoolchildren in Stonehaven; coaching at Forrester mini festival; match action at Forrester mini festival; Melrose on their way to Premier 1 victory; Damien Kelly against Ireland in the Club International.







## RESULTS & AWARDS

### **SCOTLAND**

### **EMC Autumn Tests 2010**

Scotland 3 – 49 New Zealand (Murrayfield, 13 November 2010) Scotland 21 – 17 South Africa (Murrayfield, 20 November 2010) Scotland 19 – 16 Samoa (Pittodrie, 27 November 2010)

### **RBS 6 Nations Championship**

Pos	Team	Played	W	D	L	F:A	Diff	Bonus	Points
1	England	5	4	0	1	132:81	51	0	12
2	France	5	3	0	2	117:91	26	0	9
3	Ireland	5	3	0	2	93:81	12	0	9
4	Wales	5	3	0	2	95:89	6	0	9
5	Scotland	5	1	0	4	82:109	-27	0	3
6	Italy	5	1	0	4	70:138	-68	0	3

France 34 – 21 Scotland (Stade de France, 5 February 2011) Scotland 6 – 24 Wales (Murrayfield, 12 February 2011) Scotland 18 – 21 Ireland (Murrayfield, 27 February 2011) England 22 – 16 Scotland (Twickenham, 13 March 2011) Scotland 21 – 8 Italy (Murrayfield, 19 March 2011)

### **SCOTLAND A**

Scotland A 25 – 0 USA Eagles (Netherdale, 19 November 2010) Scotland A 32 – 13 Ireland A (Netherdale, 28 January 2011) Scotland A 11 – 3 Italy A (Netherdale, 4 February 2011)

### **SCOTLAND CLUB INTERNATIONAL**

France Club International 30 – 18 Scotland Club XV (Orleans, 4 February 2011) Scotland Club XV 30 – 32 Ireland Club International (Netherdale, 11 March 2011)



### **SCOTLAND 7S**

### Delhi Commonwealth Games 2011

Day 1 – 11 October 2010

Scotland 26 – 0 Guyana Scotland 19 – 17 Canada Scotland 0 – 46 New Zealand

### Day 2 - 12 October 2010

Scotland 7 – 10 South Africa Scotland 24 – 17 Kenya Scotland 0 – 34 Samoa

### IRB Sevens World Series Dubai – 3 & 4 December 2010

Australia 41 – 14 Scotland South Africa 19 – 19 Scotland Scotland 26 – 10 Russia Scotland 28 – 22 France (Bowl quarter final) Scotland 17 – 28 Zimbabwe (Bowl semi final)

### George - 10 & 11 December 2010

Scotland 21 – 12 France
Scotland 7 – 19 Wales
Australia 21 – 7 Scotland
Scotland 14 – 5 Namibia (Bowl quarter final)
Scotland 14 – 10 Portugal (Bowl semi final)
Scotland 26 – 0 Russia (Bowl final)

### Wellington - 4 & 5 February 2011

New Zealand 29 – 12 Scotland Argentina 22 -14 Scotland Scotland 12 – 14 Papua New Guinea USA 7 – 24 Scotland (Bowl quarter final) Scotland 12 – 15 Kenya (Bowl semi final)

### Las Vegas - 12 & 13 February 2011

Australia 12 – 7 Scotland
Fiji 31 – 14 Scotland
Scotland 21 – 19 Canada
Scotland 28 – 7 Japan (Bowl quarter final)
Scotland 17 – 12 Wales (Bowl semi final)
Canada 14 – 19 Scotland (Bowl final)

### Hong Kong - 25, 26 & 27 March 2011

Scotland 12 – 10 Tonga
Scotland 40 – 7 Mexico
Samoa 31 – 14 Scotland
Scotland 14 – 19 Japan (Bowl quarter final)

### Adelaide - 2 & 3 April 2011

England 45 – 7 Scotland Argentina 22 – 7 Scotland Scotland 19 – 14 Papua New Guinea Scotland 28 – 0 Cook Islands (Bowl quarter final) USA 29 – 19 Scotland (Bowl semi final)

### Twickenham - 21 & 22 May 2011

Samoa 19 – 15 Scotland
Australia 24 – 21 Scotland
Scotland 12 – 25 Canada
Portugal 0 – 26 Scotland (Bowl quarter final)
Spain 17 – 19 Scotland (Bowl semi final)
Scotland 21 – 19 Kenya (Bowl final)

### **Edinburgh – 28 & 29 May 2011** Fiji 12 – 14 Scotland

Samoa 33 – 10 Scotland Scotland 45 – 7 USA Scotland 26 – 14 Canada (Bowl quarter final) Argentina 7 – 22 Scotland (Bowl semi final) Scotland 14 – 21 Kenya (Bowl final)

**T - B:** Alan MacDonald for Scotland A against Irish Wolfhounds; Euan Murray and John Barclay celebrate victory over South Africa; Damien Kelly for Scotland Club International; Scotland 7s lift the Bowl in George; Scotland 7s win the Bowl in Las Vegas.

## RESULTS & AWARDS

### **SCOTLAND U20**

### **U20 RBS 6 Nations Championship**

Italy U20 9 - 28 Scotland U20 (Stadio XXV Aprile, 4 February 2011)

Scotland U20 3 – 33 Wales U20

(Stirling County RFC, 11 February 2011)

Scotland U20 0 – 15 Ireland U20

(Tulloch Caledonia Stadium, 25 February 2011)

England U20 56-8 Scotland U20 (Newbury RFC, 11 March 2011)

Scotland U20 7 – 9 Italy U20 (Stirling County RFC, 18 March 2011)

### **IRB Junior World Championship Warm-ups**

Scotland U20A 15 – 33 Japan U20

(Murrayfield back pitches, 20 April 2011)

(West Park Leeds RFC, 6 May 2011)

Scotland U20 18 – 15 England

### IRB Junior World Championship (Pool C)

South Africa U20 33 - 0 Scotland U20 (Stadio Plebiscito, 10 June 2011)

England U20 39 - 18 Scotland U20

(Stadio Communale di Monigo, 14 June 2011)

Ireland U20 30 - 13 Scotland U20

(Stadio Mario Battaglini, 18 June 2011)

### SCOTLAND U18

Scotland U18 13 - 20 Japan Schools (Braidholm, 20 March 2011)

### U18 6 Nations 2011

England U18 21 – 26 Scotland U18

(Headingley Stadium, 27 March 2011)

Scotland U18 12 – 31 Ireland U18 (Braidholm, 3 April 2011)

Wales U18 45 - 29 Scotland U18 (St Helen's, 10 April 2011)

### FIRA / AER Tier 1 competition

Scotland U18 65 – 3 Romania U18 (Vic Bigorre, 16 April 2011)

Scotland U18 87 - 3 Germany U18 (Lourdes, 19 April 2011)

Scotland U18 17 - 12 Italy U18 (Laloubere, 23 April 2011)

### **SCOTLAND U17**

England U17 10 - 30 Scotland U17 (Leeds, 10 April 2011)

### Wellington Festival 2011

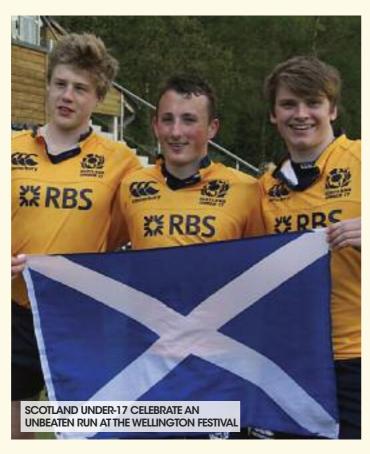
Scotland U17 32 - 10 France A (17 April 2011)

Scotland U17 38 - 10 England Blues (19 April 2011)

England Reds 0 – 35 Scotland U17 (22 April 2011)

Scotland U17 5 - 25 France U17 (Selkirk RFC, 1 May 2011)

# SCOTLAND UNDER-18 BEAT ENGLAND UNDER-18 IN LEEDS



### SCOTLAND WOMEN

### Women's Rugby World Cup 2010 (Pool C)

Pos	Team	Played	W	D	L	F:A	Diff	Bonus	Pts
1	France Women	3	3	0	0	55:24	31	1	13
2	Canada Women	3	2	0	1	85:43	42	2	10
3	Scotland Women	3	1	0	2	49:59	-10	1	5
4	Sweden Women	3	0	0	3	24:87	-63	1	1

Canada Women 37 – 10 Scotland Women (Surrey Sports Park, 20 August 2010) France Women 17 – 7 Scotland Women (Surrey Sports Park, 24 August 2010)

rrance women 17 – 7 Scotland Women (Surrey Sports Park, 24 August 2010)

Scotland Women 32 – 5 Sweden Women (Surrey Sports Park, 28 August 2010)

Scotland Women 0 – 41 Canada Women (Surrey Sports Park, 31 August 2010) (5th place play-off) Scotland Women 8 – 32 Ireland Women (Surrey Sport Park, 5 September 2010) (7th place play-off)

Spain Women 13 - 28 Scotland Women (Madrid, 3 January 2011)

### Women's 6 Nations 2011

Pos	Team	Played	W	D	L	F:A	Diff	Pts
1	<b>England Women</b>	5	5	0	0	223:8	215	10
2	France Women	5	4	0	1	113:51	62	8
3	Ireland Women	5	2	0	3	74:70	4	4
4	Wales Women	5	2	0	3	64:72	-8	4
5	Italy Women	5	2	0	3	68:130	-62	4
6	Scotland Women	5	0	0	5	20:231	-211	0

France Women 53 – 3 Scotland Women (Stade Eric Durand, 4 February 2011) Scotland Women 12 – 41 Wales Women (Burnbrae, 13 February 2011)

Scotland Women 5 – 22 Ireland Women (Lasswade RFC, 26 February 2011)

England Women 89 – 0 Scotland Women (Twickenham, 13 March 2011)



**T - B:** Scotland under-20 take on Ireland under-20; Scotland under-18 against England under-18; Scotland under-17's Cameron Jeffrey against England; Scotland Women score against Wales at Burnbrae; Lauren Harris touches down for Scotland Women against Ireland Women.



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## RESULTS & AWARDS

### **PROFESSIONAL TEAMS**

Magners League	2010/11									
Team	P	W	D	L	F	Α	Diff	Во	nus	Pts
1 Munster	22	19	0	3	496	327	169	5	2	83
2 Leinster	22	15	1	6	495	336	159	5	3	70
3 Ulster	22	15	1	6	480	418	62	3	2	67
4 Ospreys	22	12	1	9	553	418	135	6	7	63
5 Scarlets	22	12	1	9	503	453	50	5	7	62
6 Blues	22	13	1	8	479	392	87	3	3	60
7 Dragons	22	10	1	11	444	462	-18	3	4	49
8 Edinburgh	22	9	0	13	421	460	-39	2	5	43
9 Connacht	22	7	1	14	394	459	-65	3	6	39
10 Treviso	22	9	0	13	374	502	-128	0	2	38
11 Warriors	22	6	1	15	401	543	-142	1	6	33

### **EDINBURGH**

12 Aironi

Heineken Cup Pool 1 2010/11								
Team	Р	W	D	L	F:A	Diff	Bonus	Pts
1 Northampton Saints	6	6	0	0	155:87	68	1	25
2 Cardiff Blues	6	3	0	3	107:113	-6	2	14
3 Castres Olympique	6	2	0	4	105:115	-10	3	11
4 Edinburgh Rugby	6	1	0	5	98:150	-52	4	8

247 517 -270 0

Cardiff Blues 34 – 23 Edinburgh (Cardiff City Stadium, 4 September 2010)	(ML)
Edinburgh 13 – 16 Munster (Murrayfield, 10 September 2010)	(ML)
Ulster 29 – 21 Edinburgh (Ravenhill, 17 September 2010)	(ML)
Edinburgh 32 – 24 Leinster (Murrayfield, 24 September 2010)	(ML)
Aironi 9 – 10 Edinburgh (Stadio Zaffanella, 2 October 2010)	(ML)
Cardiff Blues 18 – 17 Edinburgh (Cardiff City Stadium, 9 October 2010)	(HC)
Edinburgh 27 – 31 Northampton Saints (Murrayfield, 16 October 2010)	(HC)
Edinburgh 21 – 16 Ulster (Murrayfield, 22 October 2010)	(ML)
Leinster 19 – 18 Edinburgh (Royal Dublin Society, 30 October 2010)	(ML)
Edinburgh 21 – 9 Benetton Treviso (Murrayfield, 5 November 2010)	(ML)
Edinburgh 24 – 19 Connacht (Murrayfield, 26 November 2010)	(ML)
Ospreys 33 – 16 Edinburgh (Liberty Stadium, 4 December 2010)	(ML)
Castres Olympique 21 – 16 Edinburgh (Stade Pierre Antoine, 11 December 2010)	(HC)
Edinburgh 24 – 22 Castres Olympique (Murrayfield, 19 December 2010)	(HC)
Glasgow Warriors 30 – 18 Edinburgh (Firhill, 27 December 2010)	(ML)
Edinburgh 28 – 17 Glasgow Warriors (Murrayfield, 2 January 2010)	(ML)
Edinburgh 16 – 21 Scarlets (Murrayfield, 8 January 2010)	(ML)
Northampton Saints 37 – 0 Edinburgh (Franklin's Gardens, 14 January 2011)	(HC)
Edinburgh 14 – 21 Cardiff Blues (Murrayfield, 22 January 2011)	(HC)
Newport Gwent Dragons 30 – 22 Edinburgh (Rodney Parade, 12 February 2011)	(ML)
Munster 23 – 13 Edinburgh (Thomond Park, 18 February 2011)	(ML)
Scarlets 11 – 3 Edinburgh (Parc y Scarlets, 24 February 2011)	(ML)
Edinburgh 11 – 16 Cardiff Blues (Murrayfield, 4 March 2011)	(ML)
Edinburgh 23 – 16 Ospreys (Murrayfield, 26 March 2011)	(ML)
Connacht 23 – 23 Edinburgh (Sportsground, 1 April 2011)	(ML)
Edinburgh 32 – 15 Aironi (Murrayfield, 15 April 2011)	(ML)
Edinburgh 27 – 15 Newport Gwent Dragons (Murrayfield, 22 April 2011)	(ML)
Benetton Treviso 31 – 6 Edinburgh (Stadio Monigo, 6 May 2011)	(ML)

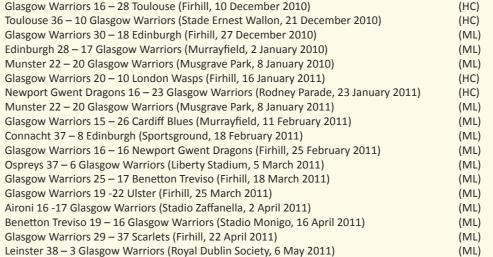


### **GLASGOW WARRIORS**

Heineken	Cun	Dool	2010/11	

Team	P	W	D	L	F:A	Diff	Bonus	Pts
1 Toulouse	6	5	0	1	155:85	70	2	22
2 London Wasps	6	4	0	2	145:106	39	3	19
3 Glasgow Warriors	6	3	0	3	116:141	-25	0	12
4 Newport Gwent Dragons	6	0	0	6	77:161	-84	2	2

3 Glasgow Walliols	U	3	U	3	110.141	-23	U	12
4 Newport Gwent Dragons	6	0	0	6	77:161	-84	2	2
Glasgow Warriors 22 – 19 Leinster	(Firhill, 3	Septen	nber 201	10)			(ML	)
Newport Gwent Dragons 23 – 11 (	'			,	le. 17 Septem	ber 2010)	(ML	,
Glasgow Warriors 29 – 43 Munste	r (Firhill, 2	24 Septe	ember 2	, 010)	, ,	,	(ML	.)
Ulster 19 -17 Glasgow Warriors (Ra	. ,			•			(ML	•
Glasgow Warriors 21 – 13 Newpor	t Gwent [	Oragons	(Firhill,	8 Octo	ber 2010)		(HC	)
London Wasps 28 – 36 Glasgow W	arriors (A	dams P	ark, 17 (	Octobe	r 2010)		(HC	)
Glasgow Warriors 31 – 23 Ospreys	(Firhill, 2	4 Octob	er 2010	)			(ML	_)
Scarlets 18 – 14 Glasgow Warriors	(Parc y So	carlets,	29 Octo	ber 201	LO)		(ML	.)
Glasgow Warriors 33 – 8 Aironi (Fi	rhill, 5 No	vembe	r 2010)				(ML	.)
Cardiff Blues 38 – 6 Glasgow Warr	iors (Card	iff City S	Stadium	, 26 No	vember 2010	)	(ML	.)
Glasgow Warriors 16 – 28 Toulous	e (Firhill, :	10 Dece	mber 2	010)			(HC	)
Toulouse 36 – 10 Glasgow Warrior	s (Stade E	rnest V	Vallon, 2	1 Dece	mber 2010)		(HC	)
Glasgow Warriors 30 - 18 Edinbur	gh (Firhill,	, 27 Dec	cember	2010)			(ML	.)





## RESULTS & AVVARDS

### **SCOTTISH CLUB AWARDS 2010/11**

Premier 3 Player of the Season National 1 Player of the Season National 2 Player of the Season National 3 Player of the Season Caledonia Regional Leagues Player of the Season East Regional Leagues Player of the Season West Regional Leagues Player of the Season

Premier 1 Player of the Season

Premier 2 Player of the Season

Women's Premier 1 Player of the Season Women's Premier 2 Player of the Season Women's National Leagues Player of the Season

Coach of the Season Referee of the Season Try of the Season Spirit of Rugby Club of the Season Women's Club of the Season

### SCOTTISH RUGBY INAUGURAL HALL OF FAME INDUCTEES 2010

David Bedell-Sivright GPS Macpherson Ned Haig Ken Scotland Sandy Carmichael Andy Irvine Finlay Calder Bill McLaren Gavin Hastings Ian McGeechan Jim Telfer Gordon Brown

### **SCOTTISH NATIONAL FINALS 2010/11**

Cup Melrose 21 – 25 Ayr Shield Lasswade 22 – 17 Hawick YM Bowl Duns 30 – 6 Strathendrick

### **WOMEN'S NATIONAL FINALS 2010/11**

Sarah Beaney Cup Hillhead/Jordanhill 7 – 19 Murrayfield Wanderers
Plate Stirling County 0 – 71 RHC Cougars
Bowl CQP 19 – 10 Aberdeenshire Quines

### **WOMEN'S LEAGUES**

Premier 1 winners Hillhead / Jordanhill Premier 2 winners Melrose National winners Stirling County

Rory McKay (Glasgow Hawks)
Darren Gillespie (Jed-Forest)
Stephen Findlay (Dalziel)
Matt Gray (Greenock Wanderers)
Lee Armstrong (Hawick YM)
Michael Borthwick (GHK)
Christopher Mann (Glenrothes)
John Grant (Lismore)
Manus Flynn (Loch Lomond)
Kirstin Daly (Dundee University)
Hannah Rorrison (Melrose)
Maggie Smith (Broughton)

David Cockburn (Lasswade)
Neil Paterson (Dundee HSFP)
Jamie Sole (Edinburgh Academicals)
John Foster (Dollar Academy)
Melrose
Hillhead/Jordanhill

### **YOUTH & SCHOOLS RESULTS**

U18 National Youth Cup
Stirling County Colts 41 – 13 Selkirk Youth RC
U18 National Youth Bowl
Kilmarnock 12 – 22 Boroughmuir
U16 National Youth Cup
Stirling County 17 – 17 Ayr
U16 National Youth Bowl
Currie 36 – 22 Aberdeen Grammar Rugby

Brewin Dolphin U18 Scottish Schools Cup
Stewart's Melville College 19 – 10 Edinburgh Academy
Brewin Dolphin U18 Scottish Schools Plate
Glenalmond College 26 – 6 High School of Glasgow
Brewin Dolphin U18 Scottish Schools Bowl
Bearsden / Douglas Academy 7 – 12 Alva Academy
Brewin Dolphin U18 Scottish Girls' Cup
Gala 51 – 38 Murrayfield Wanderers / Knox Academy
Brewin Dolphin U18 Scottish Girls' Shield
Gordon Schools Huntly 41 – 36 Stewartry / Ayrshire
Brewin Dolphin U18 Scottish Girls' Bowl
Argyll & Bute 50 – 0 Ellon

### Brewin Dolphin U16 Scottish Cup

Edinburgh Academy 36 – 8 Stewart's Melville College

Brewin Dolphin U16 Scottish Plate

The Gordon Schools 12 – 46 Hawick High School

Brewin Dolphin U16 Scottish Bowl

Jedburgh Grammar School 28 – 21 Firhill High School

Brewin Dolphin U15 Scottish Girls' Cup

Langholm 7 – 48 Biggar / Glasgow Cluster

Brewin Dolphin U15 Scottish Girls' Shield

Glenwood HS 28 – 78 Murrayfield Wanderers / Knox Academy

Brewin Dolphin U15 Scottish Girls' Bowl

Hyndland Secondary 24 – 48 Stirling County

### **LEAGUES**

Champions: Melrose

### Premier 1

British & Irish Cup qualifiers: Melrose, Currie and Ayr Relegated: Watsonians, Selkirk, West of Scotland

### Premier 2

Champions: Edinburgh Accies Promoted: Gala, Aberdeen Grammar Relegated: Kirkcaldy, GHA

### Premier 3

Champions: Whitecraigs
Promoted: Hamilton
Relegated: Musselburgh, Dunfermline

### National 1

Champions: Lasswade Promoted: Greenock Wanderers Relegated: East Kilbride, Irvine

### National 2

Champions: Hawick YM Promoted: Kilmarnock Relegated: Annan, Newton Stewart

### National 3

Champions: Marr Promoted: Preston Lodge Relegated: Forrester, Cumbernauld, Ross High

### Caledonia 1

Champions: Strathmore

### East 1

Champions: Duns Relegated: Penicuik, Moray House

### West 1

Champions: Strathendrick

### Caledonia 2 Midlands

Champions: Madras

### Caledonia 2 North East

Champions: Aberdeen Wanderers

### Caledonia 2 North West

Champions: Highland Reds They then beat Aberdeen Wanderers in a championship play-off

### Caledonia 3 Midlands

Champions: Montrose & District

### East 2

Champions: Broughton Promoted: Broughton and Gala YM

### West 2

Champions: McLaren

### West 3

Champions: Lanark



**T - B:** Melrose win the Premier 1 trophy; Hillhead / Jordanhill are presented with Women's Club of the Season; Ayr win the National Cup; Women's National Bowl winners Cartha Queens Park; Inductees and judges at Scottish Rugby's Hall of Fame. For more photos, see the inside back cover of this report.



# WORKING WITH GOVERNMENT

### PARLIAMENTARY MOTIONS AND THE SCOTTISH RUGBY MANIFESTO

Scottish Rugby believes that securing the long-term success of rugby in Scotland requires strong partnerships with government, politicians, local authorities and other public bodies. We have worked hard to develop these relationships and have a positive outlook for season 2011/12 and beyond.

This season Scottish Rugby produced a manifesto which sought to explain the steps taken recently to improve rugby in Scotland, the work we are doing beyond this and how we believe we can provide opportunities to contribute to wider social policies such as health, skills and social inclusion. This publication was distributed primarily to Members of the Scottish Parliament (MSPs) and received widespread cross-party support.

We firmly believe that a co-ordinated response is required for rugby's needs at all levels of government. Some of the actions outlined in the manifesto were issues Scottish Rugby forged ahead with in advance of the Scottish Parliamentary Elections in May 2011. In addition, there are two key issues which Scottish Rugby continues to focus on: facilities and broadcasting. These are essential to growing the game both in Scotland and on an international stage.

Our vision is to inspire young people and to ensure access to rugby for all; whether it's during school PE classes, in after-school clubs, on a weekend for a local team, through a Cashback for Communities scheme or simply touch rugby in the park with some friends. We are not necessarily looking for the stars of tomorrow; we simply want a healthier and fitter population.

Should you wish a copy of the manifesto or to discuss its contents, please contact Dominic McKay (Scottish Rugby's Director of Communications & Public Affairs) at dominic.mckay@sru.org.uk.

On 19 January Scottish Rugby briefed MSPs at its annual reception at Holyrood, informing and updating on the significant contribution rugby makes to the Scottish economy. This season has also seen many motions made in the Scottish Parliament congratulating Scottish Rugby, a selection of which are highlighted below.

Richard Simpson (Mid Scotland and Fife) (Scottish Labour): Scotland's Rugby World Ranking— That the Parliament notes what it considers to be the significant victory by Scotland's rugby team over the world champions, South Africa, and congratulates Andy Robinson and the entire squad for achieving Scotland's highest-ever world ranking of sixth

Liam McArthur (Orkney) (Scottish Liberal Democrats): Bill Hogg OBE—
That the Parliament notes with sadness the death of Bill Hogg OBE
who played a leavest in Scottish Burghy Union (SBU) ever many years:

who played a key role in Scottish Rugby Union (SRU) over many years; recognises the service that he gave to the development of the modern game in Scotland in the various posts that he filled, including treasurer, secretary, and chief executive of the SRU, as the SRU representative on a range of international bodies and as Scotland team secretary; considers also that he never forgot the grassroots of the game, serving George Watson's College and Watsonian FC over many years as a referee of schoolboy and senior matches; believes that he will be greatly missed by Scotland's rugby community, and offers its condolences to his family on their loss.

Elaine Smith (Coatbridge and Chryston) (Scottish Labour): Community Youth Rugby— That the Parliament congratulates Scottish Rugby Union (SRU) on the work that it does in promoting rugby in communities; recognises the importance of sport in promoting active and healthy lifestyles in young people; considers that it is crucial that any investment in rugby via the CashBack for Communities initiative is spent fairly in all areas throughout Scotland where youth rugby is being nurtured; welcomes the SRU primary after-school club for all pupils in Coatbridge, which can be a helpful stepping stone between school and club rugby; considers that Charles Fawcett of the Healthy Lifestyle Project in Coatbridge is undertaking excellent work in promoting community rugby and commends him for it; congratulates the community youth rugby S3/4 team on its achievements to date, and wishes it every success in the future.

Nanette Milne: Scottish Rugby Historic Series Win against Argentina—
That the Parliament congratulates the Scottish rugby union team on
its historic series win against Argentina; notes the excellent work with
Asthma UK Scotland of two of the key players, captain Alastair Kellock
and stand-off Dan Parks, and hopes that their high profile will be an
inspiration to the 72,000 children with asthma in Scotland.

### Tavish Scott: Contribution of Sport to Scotland

As an amendment to motion S4M-00681 in the name of Shona Robison (Contribution of Sport to Scotland), after "standing" insert "recognises the immense contribution of rugby to the Scottish economy but that there are gaps in broadcast coverage of rugby in Scotland and that the level of coverage and investment in the broadcasting of rugby is disproportionately less in Scotland than in other parts of the UK; believes that the Scottish Government should encourage broadcasters to increase the level of rugby on both terrestrial and satellite television;".

S4M-00168 Shona Robison: Contribution of Sport to Scotland—That the Parliament recognises the important contribution that sport makes to Scotland's economy, culture and international standing; welcomes the government's commitment to increase participation in sport and physical activity, thereby creating a lasting legacy for the 2014 Commonwealth Games; notes the benefits to the physical and mental wellbeing of the Scottish people through participation in sport; acknowledges the priority given to increasing physical education in primary and secondary schools, and notes the progress being made in improving community access to sporting facilities.



**T - B:** Head of Community Rugby, Colin Thomson, addresses MSPs; Al Kellock with colleagues and MSPs; Scottish Rugby's Director of Communications & Public Affairs, Dominic McKay, at the Scottish Parliament; Al Kellock, Andy Robinson and Mike Blair with Sarah Boyack MSP; The Parliamentary reception at Holyrood.



# BOARD REPORT

### THE DIRECTORS PRESENT THEIR REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2011.

### **Principal Activities**

The principal activity of the Scottish Rugby Union is to promote the game of Rugby throughout Scotland, using its wholly owned subsidiary Scottish Rugby Union plc for all trading activities. The following financial statements comprise the consolidated financial statements of the Union and its subsidiary.

### **Business Review**

The Union has achieved a surplus after interest for the year of £1.3m. Turnover increased by £1.5m over the previous year for a number of reasons. An increase in 6 Nations ticket revenues through having three home fixtures in 2010/11, higher Autumn Test ticket revenues and increased pro rugby income was partially offset by reduced non-rugby event income, and the absence of income from the British and Irish Lions Tour in 2009.

Average bank borrowings over the financial year amounted to £14.4m which is £0.4m below the previous year. Year end bank borrowings of £12.7m are £2.4m below the previous year level, mainly due to the surplus for the year and various working capital movements. Year on year interest payments fell from £1.0m to £0.9m.

This solid financial performance is enabled by the Union's robust financial systems which allow effective control over our trading activities and our balance sheet. The Directors continue to monitor borrowing levels, income and expenditure against budget on a monthly basis. They also monitor other key business issues including Professional and National Team performance which are fundamental to the Union's strategy of growing the game within a stable commercial environment.

Further details are included in the Finance Director's Review on pages 10 and 11 of the Annual Report.

### **Financial Risk Management**

The Union operates, monitors and evaluates its performance against the objectives of the current five year Strategic Plan. The risk management framework, developed in parallel with the plan, is also now well established with the ongoing identification, evaluation and status of business risks being presented formally to the Audit Committee, Scottish Rugby Board and Council every six months.

### **Financial Instruments**

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

### **Charitable and Other Contributions**

The Union made no donations for charitable purposes during the year.

### **Supplier Payments**

Payments to suppliers are normally made on a monthly basis, in line with agreed payment terms which are typically 30 days or payment at the end of the following month. As at 30 April 2011, amounts due to trade creditors represented the annualised equivalent of 24 days purchases (2010 - 34 days).

### **Going Concern**

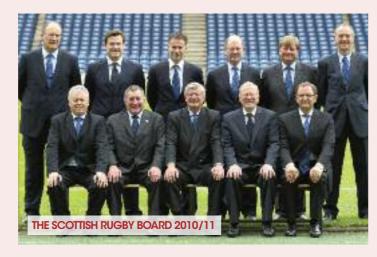
The Directors believe that the Union has adequate resources to continue in operational existence for the foreseeable future and it therefore continues to adopt the going concern basis in preparing the financial statements.

### Emplovees

Scottish Rugby considers all forms of discrimination to be unacceptable in the workplace and recognises the value and importance of promoting equal employment opportunities for its current and future staff. We aim to be an inclusive organisation where everyone is treated with dignity and respect and where diversity is valued across all of the recognised equity strands recognised by the Equality Act 2010. The organisation is committed to providing equal opportunities throughout recruitment, employment, training and career development and has a robust Equal Opportunities Employment Policy supporting this principle. We are committed to adopting equitable employment practices and terms and conditions which are based on the merits, ability and potential of individuals and to avoiding any conditions or requirements that cannot be justified by the needs of the job. As an example of this equitable approach, Scottish Rugby has been granted the Positive About Disabled People award by Job Centre Plus, recognising our commitment to equality and confirming that applications from disabled people are always positively considered by the organisation.

In addition to our equitable employment practices, Scottish Rugby is committed to working towards the Equity Standard: A Framework for Sport which is a collaborative effort between the four national Sports Councils, UK Sport and equity organisations to achieve measurable standards of equity. To date, Scottish Rugby has been awarded the Preliminary Level of the Equity Standard through our efforts and commitment to make rugby in Scotland open to all, to identify under represented groups, and put actions in place to ensure everyone has a fair chance to take part in rugby should they wish to do so.

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



### Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Union's transactions and disclose with reasonable accuracy at any time the financial position of the Union and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors and Disclosure of Information to Auditors**

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

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

### Directors

The Directors of Scottish Rugby Union plc who held office during the year are noted on page 61.

### Auditors

A resolution to re-appoint Pricewaterhouse Coopers LLP as auditors will be proposed at the Annual General Meeting.

### **G** A Ireland

Secretary Edinburgh 16 June 2011

T - B: Richie Gray with young Scotland supporters; Brewin Dolphin U18 Scotlish Girls` Bowl Final; Scotland Under-18 v Japan Schools; Glasgow Warriors in action; Richie Gray for Scotland against Samoa.









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## FINANCIAL STATEMENTS

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH RUGBY UNION

We have audited the financial statements of the Scottish Rugby Union for the year ended 30 April 2011 which comprise the Consolidated Income and Expenditure Account, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Principal Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 43, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Union's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### 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 Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements 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 of the state of the Union's affairs as at 30 April 2011 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Scottish Rugby Board 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 have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Kenneth Wilson (Senior Statutory Auditor)**

For and on behalf of PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Edinburgh 16 June 2011

### PRINCIPAL ACCOUNTING POLICIES

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

### **Basis of Consolidation**

The consolidated financial statements cover the year to 30 April 2011 and include the Scottish Rugby Union, a mutual organisation, its subsidiary undertakings Scottish Rugby Union plc and The Murrayfield Experience Limited, and a related body, the Thistle Rugby Trust. The parent body, the Scottish Rugby Union, has not traded during either the current or previous year and its only assets and liabilities are its investment in, and loans from, Scottish Rugby Union plc of £50,000.

### Turnove

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

### **Tangible Fixed Assets**

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

	%
Land	Nil
Stands and Heritable property	1-20
Fixtures and fittings	4-25
Other equipment	7-50

### **Deferred Income**

Capital grants and debenture premiums are transferred to deferred income and amortised over the estimated useful life of the associated fixed assets or the life of the debenture, respectively.

### Debenture issue costs

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

### Pension costs

Contributions are made by the Union to money purchase scheme pension arrangements for certain employees. Amounts due to assurance companies are charged against the profit and loss account in the year in which they become payable. The Union provides no other post retirement benefits to its employees.

### Finance and operating leases

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

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

### Grants

Revenue grants are credited to the income and expenditure account in the same period as the related expenses.

### Taxation

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

### Financial Instruments

The Union uses interest rate swaps to reduce its exposure to interest rate movements. Receipts and payments on these interest rate swaps are recognised on an accruals basis over the life of the swap. The Union also uses forward sale currency contracts to reduce its exposure to exchange rate movements. The income relating to these sales is accounted for at the rate of exchange at which the related contract has been taken out. The Union does not hold or issue derivative financial instruments for speculative purposes.

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## FINANCIAL STATEMENTS

### CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

	Notes	2011 £000	2010 £000
Income			
Ticket income		8,529	6,348
Broadcasting revenues		11,465	11,574
Other operating income		15,092	15,634
		35,086	33,556
Expenditure			
International and Professional Rugby		16,691	16,128
Community and Performance Rugby		4,221	3,877
Commercial and Operational		9,121	9,354
Club Support and Development		1,805	1,793
Depreciation		1,037	887
		32,875	32,039
Surplus before Exceptional Item		2,211	1,517
Exceptional Item	1	-	809
Operating Surplus		2,211	2,326
Net Interest	3	(923)	(957)
Surplus on ordinary activities before Taxation	1	1,288	1,369
Taxation	4	-	-
Surplus for the period	15	1,288	1,369

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

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

A commentary on the main items included in each of the above categories is appended to the accounts after the Five Year Financial Summary.

### **CONSOLIDATED BALANCE SHEET**

Fixed Assets	Notes	2011 £000	2010 £000
Tangible fixed assets	5	40,416	40,445
Investments	6	2	2
		40,418	40,447
Current Assets			
Debtors	7	5,197	5,773
Cash in hand		2	6
		5,199	5,779
Creditors: amounts falling due within one year	8	(13,823)	(15,512)
Net Current Liabilities		(8,624)	(9,733)
Provisions for liabilities and charges	9	(38)	(36)
Total Assets less Current Liabilities and Provisions		31,756	30,678
Financed by:			
Creditors: amounts falling due after one year	8	10,341	10,444
Deferred income	10	2,376	2,565
Ten Year Debentures	11	1	1
Murrayfield Debentures	12	31,207	31,125
Irredeemable Debentures	13	97	97
		44,022	44,232
General Reserve	15	(12,266)	(13,554)
		31,756	30,678

The Financial Statements on pages 47 to 56 were approved by the Scottish Rugby Board on 16 June 2011 and were signed on its behalf by:

Allan Munro, Chairman

Eamon Hegarty, Finance Director

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## FINANCIAL STATEMENTS

### **CONSOLIDATED CASH FLOW STATEMENT**

Net cashflow from operating activities

Return on investments and servicing of finance

Interest paid on bank overdrafts and loans

**Capital Expenditure and Financial Investment** 

Payments to acquire Tangible Fixed Assets

**Cashflow before financing** 

**Financing** 

Issue of Debentures

Increase / (decrease) in cash

Reconciliation of net cash flow to movement in net debt

Increase / (decrease) in cash in period

Amortisation of Murrayfield Debentures

Change in net debt

Opening net debt

Closing net debt

Notes	2011 £000	2010 £000
16	3,885	6
	(841)	(875)
	(708)	(1,679)
	2,336	(2,548)
	-	760
	-	760
	2,336	(1,788)
	2011 £000	2010 £000
	2,336	(1,788)
	(82)	(82)
	2,254	(1.870)
	(46,288)	(44,418)
17	(44,034)	(46,288)

### **NOTES TO THE FINANCIAL STATEMENTS**

1.	Surplus on	ordinary	activities	before	taxation	

The surplus on ordinary activities before taxation is stated after crediting:	2011 £000	2010 £000
Amortisation of deferred income	189	189
Barter transaction sponsorship income	418	418
And after charging:		
Auditors remuneration	25	24
Auditors fees for non-audit services		
Tax compliance	9	9
Tax advisory	7	15
Depreciation charge for the period		
Owned fixed assets	1,037	887
Operating lease rentals		
Plants and Machinery (all expiring within one year)	62	77
Other	239	120
Barter transaction sponsorship costs	418	418
Administrative and management expenses	2,558	2,471

Included within the surplus before taxation last year, the year ended 30 April 2010, was an exceptional credit of £809k which related to the provision previously made for the closure of the Border Reivers pro team, in connection with the Netherdale ground rental agreement and other creditors. The credit was as a result of the final agreement of all payments due, which was reached during the year ended 30 April 2010.

During the period the Union made no donations for charitable purposes.

### 2. Staff Costs

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

	2011 No.	2011 No.	2010 No.	2010 No.
Rugby				
Professional Players	77		73	
Professional Teams – Coaching & Administration	17		17	
National Team – Coaching & Administration	11		11	
Community	31		28	
Performance	46		54	
Fitness & Conditioning	16		15	
Medical & Physiotherapy	12		9	
		210		207
Stadium Operations		28		28
Administration Support		45		48
TOTAL		283		283

Within the above figures:

Community includes Referees, Regional Development Managers, Women's Rugby and General Rugby Services.

Performance includes Elite Development Players and Coaches, Regional Academy Coaches, and Age Grade & Other Coaches.

**Stadium Operations** includes staff involved in Event Management, Ticketing and Stadium & Pitch Maintenance.

Administration Support includes Commercial & Marketing, HR & Communications, Finance & IT, Governance and General Administration.

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## FINANCIAL STATEMENTS

### **NOTES TO THE FINANCIAL STATEMENTS**

2.	Staff	Costs	(cont)
~.	Juli	CUSES	(COIIC)

		2011 Total	2010 Total
	Employment costs:	£000	£000
	Employment costs:	45.264	14.001
	Wages and salaries	15,264	14,091
	Social security costs	1,650	1,538
	Other pension costs	318	300
	At the year and the negrical age (275k/2010 (201k)	17,232	15,929
	At the year end, the pension accrual was £375k (2010-£291k).		
3.	Net Interest	2011 £000	2010 £000
	Interest payable on bank borrowings	(841)	(875)
	Amortisation of Debenture issue costs	(82)	(82)
		(923)	(957)
	The rates of interest on the Union's term loan borrowings are included in Note 8.		
4.	Taxation	2011 £000	2010 £000
	Current Tax:		
	On profits arising from non-mutual trading	-	-
	Deferred:		
	Origination and reversal of timing differences	741	207
	Movement in deferred tax unprovided	(741)	(207)
		-	-
	Factors affecting the current tax charge for the period :	2011 £000	2010 £000
	Surplus on ordinary activities before tax	1,288	1,369
	Corporation Tax at 27.83% (2010 - 28%)	358	383
	Effects of:		
	Net expenses not deductible for tax purposes	200	175
	Crystallisation of tax losses	(545)	(544)
	Non-taxable mutual profits	(180)	(161)
	Depreciation in excess of capital allowances	121	104
	Movement in other timing differences	46	43
		-	-

From 1 April 2011, the main rate of UK corporation tax reduced from 28% to 26%. This results in an effective tax rate of 27.83% for the year.

### **NOTES TO THE FINANCIAL STATEMENTS**

### 5. Fixed Assets

	Heritable Property £000	Fixtures & fittings £000	Other Equipment £000	Assets Under Construction £000	Total £000
Cost					
Opening	45,597	13,441	3,135	8	62,181
Transfers	-	8	-	(8)	-
Additions	84	698	145	81	1,008
Closing	45,681	14,147	3,280	81	63,189
Depreciation					
Opening	8,340	10,876	2,520	-	21,736
Charge for period	520	432	85	-	1,037
Closing	8,860	11,308	2,605	-	22,773
Net Book Value					
Closing	36,821	2,839	675	81	40,416
Opening	37,257	2,565	615	8	40,445

As part of the Edinburgh tram project and the Water of Leith flood defence scheme, Scottish Rugby was required to provide an area of land at Murrayfield to the City of Edinburgh Council (CEC) under a compulsory purchase order. As part of this, CEC agreed to the construction of a new entrance and gatehouse to Murrayfield Stadium, together with associated engineering and landscaping works, which have now been carried out.

As all these works were undertaken and paid for by CEC, the Union has not been able to reliably determine the values involved in these transactions and has accordingly not recorded any accounting entries reflecting these events.

### 6. Investments

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

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

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

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

### 7. Debtors

Amounts falling due within one year	2011 £000	2010 £000	
Trade debtors	4,546	5,112	
Prepayments	397	477	
Other debtors	254	184	
	5,197	5,773	

The Union has entered into a number of forward sale currency contracts to reduce its exposure to exchange rate movements affecting the income it receives in Euro, from ERC and 6 Nations. At the year end, the contracts held were for a total of €14.9m, with settlement dates between 3 May 2011 and 15 May 2013 at an average rate of £0.90:€1. The notional market value of these contracts at 30 April 2011 was £155k. At 30 April 2010, contracts for a total of €20.9m were held, with settlement dates between 1 June 2010 and 15 May 2013 at an average rate of £0.90:€1. The notional market value of these at 30 April 2010 was £473k.

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## FINANCIAL STATEMENTS

### **NOTES TO THE FINANCIAL STATEMENTS**

### 8. Creditors

Amounts falling due within one year	2011 £000	2010 £000
Bank overdrafts	2,731	5,071
Advance receipts	4,577	4,010
Trade creditors	942	1,358
Other tax and social security	1,093	796
Accruals	4,480	4,277
	13,823	15,512
Amounts falling due after more than one year	2011 £000	2010 £000
Bank loans	10,000	10,000
Other creditors	341	444
	10,341	10,444

The term loan is repayable in full on 30 November 2012 or earlier if the Union disposes of any property interests. In this event, 75% of the net sale proceeds shall be paid to the Union's bankers towards repayment of the loan. The Union has entered into an interest rate swap with the Bank of Scotland in relation to £10m (2010 - £10m) of the term loan. This fixed the interest rate on these borrowings at an average of 6.35% (2010 - 6.35%) for 5 years to March 2013, with a break at November 2012 on expiry of the existing loan facility. The average rate of 6.35% results from two separate agreements – one at the rate of 6.38% on £5m LIBOR based borrowings and the other at 6.32% on £5m borrowings tied to bank base rate. Security has been granted to the Union's bankers by way of a Bond and Floating charge over the assets of Scottish Rugby Union plc.

The interest rate swap arrangements have a notional market value, being the net present value of future cash flows due under the swap compared to current interest rates. The market value of the LIBOR interest rate swap on 30 April 2011 was (£372k). The market value of the base rate interest rate swap on 30 April 2011 was (£399k). The respective values on 30 April 2010 were (£463k) and (£483k).

### 9. Provisions for liabilities and charges

Flovisions for habilities and charges			
Opening Transfer during period	Deferred Tax £000 -	Tenant Club Fund £000 36	Total £000 36 2
Closing	-	38	38
Deferred taxation comprises: Accelerated capital allowances Other timing differences Trading losses carried forward		2011 £000 2,196 529 (5,835)	2010 £000 2,297 626 (6,774)
Deferred tax asset not recognised		(3,110)	(3,851) 3,851

From 1 April 2011, the main rate of UK corporation tax reduced from 28% to 26%. Accordingly all deferred tax balances are now calculated at a rate of 26%. Following due consideration of the availability of tax losses in relation to future anticipated taxable profits, the deferred tax asset has not been recognised. The deferred tax asset will be fully recoverable should there be appropriate future taxable profits. Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

### NOTES TO THE FINANCIAL STATEMENTS

### 10. Deferred income

	Heritable Property £000	Debenture Premium £000	2011 Total £000	2010 Total £000
Opening	1,726	839	2,565	1,994
Issue of Debentures	-	-	-	760
Amortisation	(31)	(158)	(189)	(189)
Closing	1,695	681	2,376	2,565

### 11. Ten Year Debentures

Debenture Issue	Class of Debenture	Value Each	Max. No. Authorised	2011 No. Issued	2010 No. Issued
2002 Debentures	Н	£1	1,500	198	198
	1	£1	1,500	408	408
2009 Debentures	J	£1	500	90	90
	K	£1	1,000	429	429
	L	£1	200	78	78
Debentures issued				1,203	1,203

The 2002 Ten Year Debentures are unsecured, interest free and repayable at par on 30 April 2012. The 2009 Debentures are unsecured, interest free and repayable at par on 30 April 2019. Holders of the 2002 and 2009 Debentures have the right to purchase a ticket for any event or match at the stadium for which the Union retains direct control over the allocation of all tickets. In respect of Six Nations matches, the ticket is for a specific seat.

### 12. Murrayfield Debentures

Class of Debenture	Value Each	No. Authorised	2011 No. Issued	£000	2010 No. Issued	£000
A	£1,200	9,100	9,092	10,910	9,092	10,910
В	£2,200	7,900	7,900	17,380	7,900	17,380
С	£3,500	1,000	1,000	3,500	1,000	3,500
Thistle	£9,900	500	188	1,861	188	1,861
Debentures issued			18,180	33,651	18,180	33,651
Issue Costs:						
Opening				2,526		2,608
Amortisation				(82)		(82)
Closing				2,444		2,526
Net Issue Proceeds less amortisation				31,207		31,125

The Murrayfield Debentures are unsecured, rank pari passu and are interest free. Repayment, at par, is at the discretion of the Union on or after 1 January 2043 in respect of the A and C Debentures and 1 January 2044 with regard to the B and Thistle Debentures. Murrayfield Debenture holders have the right to purchase a ticket for any event or match at the stadium for which the Union retains direct control over the allocation of all tickets. In respect of Six Nations matches the ticket is for a specific seat. Thistle and C Debenture holders also have the right to purchase certain matchday hospitality packages.

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## FINANCIAL STATEMENTS

### **NOTES TO THE FINANCIAL STATEMENTS**

### 13. Irredeemable Debentures

The 972 (2010 - 972) Debentures of £100 each (the 1925 Debentures) entitle the holder to purchase two tickets at Murrayfield for each match directly controlled by the Union. The debentures are interest free.

### 14. Leases

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

		2011 £000	2010 £000
	Land and Buildings – Expiring within 2 to 5 years	250	120
15.	General Reserve	2011 £000	2010 £000
	Opening	(13,554)	(14,923)
	Surplus for the period	1,288	1,369
	Closing	(12,266)	(13,554)
16.	Reconciliation of operating surplus to net cashflow from operating activities	Total 2011 £000	Total 2010 £000
	Operating surplus	2,211	2,326
	Depreciation charge	1,037	887
	Amortisation of deferred income	(189)	(189)
	Border Reivers pro team closure provision	-	(1,480)
	Tenant club residual fund	2	2
	Movement in loans to clubs	-	1
	Movement in debtors	576	(1,745)
	Movement in creditors	248	204

### 17. Analysis of changes in net debt

	2010 £000	Cash Flows £000	Other Changes £000	2011 £000
Cash in hand	6	(4)	-	2
Overdrafts	(5,071)	2,340	-	(2,731)
Bank loans due after 1 year	(10,000)	-	-	(10,000)
Irredeemable Debentures	(97)	-	-	(97)
Murrayfield Debentures	(31,125)	-	(82)	(31,207)
Ten Year Debentures	(1)	-	-	(1)
	(46,288)	2,336	(82)	(44,034)

3.885

### 18. SRU Group

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

### **FIVE YEAR FINANCIAL SUMMARY**

	2011 £000	2010 £000	2009 £000	2008 £000	2007 £000
Income	35,086	33,556	29,796	28,237	25,565
Expenditure: International and Professional Rugby	16,691	16,128	14,998	14,183	12,046
Community and Performance Rugby	4,221	3,877	3,477	2,801	2,262
Commercial and Operational	9,121	9,354	8,063	7,968	8,185
Club Support and Development	1,805	1,793	1,334	933	565
Depreciation	1,037	887	796	897	1,068
	32,875	32,039	28,668	26,782	24,126
Surplus before exceptional items	2,211	1,517	1,128	1,455	1,439
Exceptional Credit / (charges)	-	809	-	-	(1,758)
Operating Surplus / (deficit)	2,211	2,326	1,128	1,455	(319)
Net interest	(923)	(957)	(1,072)	(1,412)	(1,341)
Surplus / (deficit) before taxation	1,288	1,369	56	43	(1,660)
Taxation	-	-	-	-	-
Surplus / (deficit) for period	1,288	1,369	56	43	(1,660)
Capital Expenditure	1,008	1,679	707	54	18

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## FINANCIAL STATEMENTS

### **COMMENTARY ON THE ACCOUNTS**

### Turnover

Scottish Rugby's main income is derived from national team ticket sales, including the RBS 6 Nations, the EMC Autumn Tests, the Emirates Airline Edinburgh Sevens Festival and pro team matches, together with related broadcasting revenue. Match day income also includes revenue from pitchside advertising boards, along with revenue from hospitality activities and match programmes.

The sale of merchandise, online and directly from the Scottish Rugby shop and concession outlets, is also an important source of income.

Scottish Rugby is grateful for funding from its many sponsors including the Royal Bank of Scotland, Canterbury and Murray, and for significant grant funding from the International Rugby Board, **sport**scotland and Cashback for Communities. Turnover also includes Scottish Rugby's share of income from the Heineken (European Rugby) Cup and the Magners League, and from other events held in Murrayfield Stadium including business conferences, concerts and other sporting events.

### **International and Professional Rugby**

The expenditure relating to the players, the management and medical teams involved in international and professional rugby is included in this category. Travelling, food and accommodation at venues, and other expenses incurred in ensuring these teams are best prepared to compete at the highest level across the globe are also included here. As well as salaries, costs include kit, laundry bills, travel insurance, shirt numbering, training facilities, honours caps and team coach hire for the Scotland teams playing at international level.

Pro team costs, in addition to players' wages, kit, travel and coaching costs, include match day outgoings such as advertising, turnstile staff, ticket printing, venue preparation and entertainment.

Expenditure in the provision of medical services, from physiotherapists to match doctors (for the players), crowd doctors (to ensure spectator safety) to the basic materials needed for strapping injuries and dealing with wounds is included in this category. Finally, there are outgoings relating to the fitness and conditioning personnel generally associated with national and professional teams.

### **Community and Performance Rugby**

Community Rugby supports the grassroots of the game and Scottish Rugby recognises the importance of a well resourced and appropriately funded Community Rugby team to help develop the players and coaches of the future.

A team of thirteen Development Managers, supported by **sport**scotland, lead community rugby development throughout Scotland – eight Regional Development Managers (RDMs) based in their respective regions, one national post assigned to 17-24 year olds, a Project Manager to oversee the Cashback for Communities programme and a Partnership Manager based at Murrayfield to lead the team. There are also two managers within the women's game. Other costs include travel, training and the costs of running events.

Scottish Rugby is committed to development within the women's game and funds two Development Managers and a Performance Development Manager. It also provides financial assistance from grassroots to international level where the team competes in the women's RBS 6 Nations and Rugby World Cup.

Referee development, from grassroots to international level, involves costs from coaching for referees, to travel to games, to kit, to staffing and office expenditure for the nine individuals employed in this area. Referee costs also include salary, travelling expenses and associated costs for Scotland's two professional referees.

Development of coaches at all levels of the game is vital to future participation and success. Scottish Rugby funds the training of staff to deliver United Kingdom Coaching Certificate (UKCC) courses throughout Scotland to ensure that coaches are properly qualified to coach at all levels, and is grateful for the support of **sport**scotland who fund the posts of UKCC Coach Education Manager and Coach Education Administrator, and support the costs of course delivery. Expenditure includes training and facility costs as well as tutor and registration fees

The Player Development team includes a Head of Player Development, a Senior Regional Academy Manager, seven Regional Academy Coaches (RACs), an Exiles Performance Development Manager and Coach, together with Elite Development Coaches in Glasgow and Edinburgh. The team is responsible for programmes to identify and develop the best players in the country, and is part funded by sportscotland and the IRB. In addition to these staffing costs, outgoings include Pathway expenditure, kit, balls, travel and the organisation and running of player development events and camps. The Elite Development Programme, aligned with the pro teams, incurs costs from coaching to kit to player salaries and insurance as it strives to improve performance in the age-grade teams and to produce players for the professional teams.

Also included here is the provision of medical services from physiotherapists and doctors, for cover at various community and performance rugby matches and events held during the season. Strength and conditioning costs for the community and performance game are also included in this category.

### **Commercial & Operational**

The running costs of the national stadium, from purchasing grass seed to funding roof repairs, from security to public liability insurance, from rates to electricity, account for much of the expenditure which ensures that Murrayfield is not only fit for purpose but a safe, well maintained and attractive venue.

Commercial and operational outgoings also include the costs of hosting matches and of staff working behind the scenes to attract supporters to fixtures. Solid marketing and promotion of the game reaps rewards in increased attendances, higher ticket revenue and additional programmes and merchandise sales. Positive relations with the media are vital in the successful promotion of the sport and fixtures, through staff involved in Communications at all levels. Supporting all these services are staff in Finance, IT, HR and other central services where costs are incurred not only through salaries but the outgoings involved in marketing campaigns, promotional materials and activities, and media conferences.

### **Club Support and Development**

In order to help the sport at grassroots level to prosper in a safe environment, clubs are supported through the payment of Participation Monies, Player Accident Insurance, contributions to cup and league travel costs, the Club Facilities Fund to help with grounds and clubhouse improvements and the payment of all referees' travel costs across the country. Clubs also receive ticket commissions of up to 25% for sales of international tickets.

This category includes the Player Reward Scheme, which makes payment to clubs to acknowledge their contribution to the development of players who have gone on to win an elite development or professional contract. The joint funding of Rugby Development Officers in partnerships with both clubs and local authorities across the country is also part of Club Support and Development expenditure. All these community developments have, with the vital support of local volunteers, contributed to the ongoing growth in player numbers both in traditional rugby-playing areas and in parts of the country previously less associated with the sport.

### Depreciation

Depreciation is the annual charge in respect of Scottish Rugby's fixed assets, primarily the redevelopment costs of Murrayfield Stadium.

## AYEAR OF GOVERNANCE

### A YEAR OF GOVERNANCE

### Patron

Her Royal Highness, The Princess Royal

### President

Ian McLauchlan

### **Scottish Rugby Board**

Chairman Allan Munro

Executives Gordon McKie (Chief Executive)

(resigned 14 June 2011)

Eamon Hegarty (Finance Director)

Graham Lowe

(Director of Performance Rugby)

Non-Executive Members Gordon Bulloch

Donald Emslie Jock Millican

Council Representatives Ed Crozier

John Davidson
Jim Greenwood
Ian McLauchlan

### **Scottish Rugby Council**

Ian McLauchlanPresidentPeter WrightPremier 1John DavidsonPremier 2Ian SmithPremier 3Jim GreenwoodNational LeaguesJim StevensonNational Leagues

Barry Sinclair Edinburgh Regional League
Ed Crozier Glasgow North Regional League
Bill McMurtrie Glasgow South Regional League
Alistair Forsyth Scottish Borders Regional League

Don Burns Midlands Regional League
Paddy Hart North Regional League

Fergus Neil Scottish Rugby Referees Association

Schools Division

Kath Vass

Bill Nolan

Co-opted member (IRB)

John Jeffrey

Co-opted member (IRB)

Malcolm Gillies

Co-opted member (Six Nations)

Jim Fleming

Co-opted member (ERC)

Gordon Cox

Co-opted member (FIRA-AER)

Archie Ferguson

Co-opted member (FIRA-AER)

### Secretary to Board and Council

Graham Ireland

**Bruce Thompson** 



### **GOVERNANCE OF SCOTTISH RUGBY**

### Scottish Rugby Board 2010/11

The Scottish Rugby Board is responsible for the ongoing management of Scottish Rugby. The Scottish Rugby Board, which also serves as the Board of SRU plc, comprises four non-executive Directors, four representatives of the Scottish Rugby Council and up to four executive Directors. As at the financial year end, the Directors of SRU plc were:

Allan Munro Chairman

Gordon McKie Chief Executive (resigned 14 June 2011)

Eamon Hegarty Finance Director

Graham Lowe Director of Performance Rugby

Gordon Bulloch Donald Emslie Jock Millican Ed Crozier

John Davidson (appointed 26 June 2010) Jim Greenwood (appointed 26 June 2010) Ian McLauchlan (appointed 26 June 2010)

Jim Stevenson, Archie Ferguson and Jim Fleming retired from the Board as Directors on 26 June 2010.

### Scottish Rugby Council 2010/11

As at 26 June 2010 Ian McLauchlan was elected as President of the Union and Ian Barnes, Jim O'Neill, Archie Ferguson, Jim Fleming and Norman Anderson were succeeded by Peter Wright, Ian Smith, Jim Stevenson, Fergus Neil and Bruce Thompson respectively as the Premier 1, Premier 3, National League, Referees and Schools representatives on the Council. Further to the change in the Bye Laws at the 2010 AGM, and an open recruitment process, Bill Nolan, John Jeffrey, Malcolm Gillies, Jim Fleming, Gordon Cox and Archie Ferguson were co-opted on to the Council.

The President, Ian McLauchlan, Chaired the Council and John Davidson was elected as the Vice Chair.

### **Board Committees**

During the period, the Board operated four sub-committees to assist in its business. The role and Chairmen of the sub-committees were as follows:

The Audit Committee, chaired by Jock Millican, is responsible for assisting the Board to discharge its responsibilities for accounting policies, financial reporting, internal control and risk management.

The Nomination Committee, chaired by Allan Munro, is responsible for making recommendations as to the composition, membership and organisation of the Board and Board Sub-Committees, the recruitment and appraisal of international body representatives and for making recommendations on senior staff appointments to the Board.

The Property Committee, chaired by Allan Munro, is responsible for making recommendations with regard to the Union's property assets.

The Remuneration Committee, chaired by Donald Emslie, is responsible for making recommendations, within agreed terms of reference, on the Union's remuneration policies.

**T - B:** Jim Greenwood presents Marr with the National 3 trophy; Alistair Forsyth hands over the National 1 trophy to Lasswade; Kath Vass awards the Sarah Beaney Cup to Murrayfield Wanderers; John Davidson awards the Premier 2 trophy to Edinburgh Accies; Allan Munro, Jim Greenwood and Ross Finnie MSP at the Scottish Parliament.









## AYEAR OF GOVERNANCE

### **GOVERNANCE OF SCOTTISH RUGBY**

### **Compliance with Governance Standards**

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

### **Development of Corporate Governance**

During the period Scottish Rugby's "Standing Working Party on Bye Laws and Governance", under the independent Chairmanship of Douglas Hunter, was asked to consider a wide range of constitutional and governance issues. A full report on the issues arising and the Working Party's views thereon was issued to the member clubs during May 2011.

The Board and Council remain committed to the continuing development of our governance structures in order to meet the needs of our game.

### Remuneration and Benefits of Non-Executive and Council Board Representatives

Under the Scottish Rugby's remuneration policy, the Union offers its non-executive Board members, including Council representatives on the Board, a fee for their service on the Board.

	DIRECTOR'S	REPRESENTATIVE	
BOARD MEMBER	FEE	BODIES' FEE	TOTAL
	£	£	£
Allan Munro	35,000	-	35,000
Gordon Bulloch	15,000	-	15,000
Donald Emslie	15,000	7,000 (CLA)	22,000
Jock Millican	15,000	18,000 (6NC)	33,000
Ed Crozier	15,000	-	15,000
John Davidson	12,500	-	12,500
Jim Greenwood	12,500	-	12,500
Ian McLauchlan	12,500	-	12,500
Archie Ferguson	2,500	6,000 (6NC)	8,500
Jim Fleming	2,500	9,803 (ERC)	12,303
Jim Stevenson	2,500	-	2,500

COUNCIL MEMBERS	POSITION HELD	PAID BY	VALUE £
Bill Nolan	IRB Representative	IRB	15,000
John Jeffrey	IRB Representative	IRB	3,500
Malcolm Gillies	6NC Representative	6NC	12,000

### Notes

- 1. Non-Executive Directors are paid an annual fee of £15,000. The Chairman is remunerated at the rate of £35,000 per annum.
- 2. Members of the Scottish Rugby Council receive no remuneration in respect of this elected role.
- 3. The International Rugby Board (IRB), Six Nations Committee (6NC), European Rugby Cup Ltd (ERC) and the Celtic League Association (CLA) have a policy of financially compensating the representatives serving on those bodies and the service fees paid to Scottish Rugby representatives serving were as noted. Fees payable by those bodies to Gordon McKie and Allan Munro were disclaimed by the individuals and were retained by Scottish Rugby.

**T - B:** Don Burns presents Montrose with the Caledonian 3 trophy; Ian McLauchlan presents Lynne Reid with her 50th cap; Jim Greenwood awards Preston Lodge with Club of the Month for January; Jock Millican presents Dundee with the University Finals Cup; Peter Wright awards Melrose with Club of the Month for May.

### **REGISTERED OFFICE AND ADVISERS**

Registered Office: Murrayfield Stadium, Edinburgh EH12 5PJ

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

 $\textbf{Auditors:} \ \textbf{PricewaterhouseCoopers LLP, Erskine House, } 68\text{-}73 \ \textbf{Queen Street} \ \textbf{, Edinburgh}$ 

McGrigors

EHZ 4NF

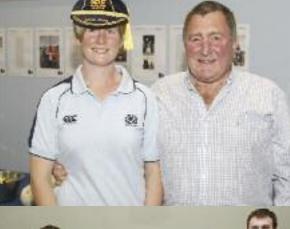
**Solicitors:** Anderson Strathern

1 Rutland Court Princes Exchange
Edinburgh 1 Earl Grey Street
EH3 8EY Edinburgh

EH3 9AQ















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L - R: Supporters at the Emirates Airline Edinburgh Sevens; Scotland Women visit a centre funded by Wooden Spoon during the Rugby World Cup; a moment's silence before the Scotland under 18 v Japan Schools fixture; Al Kellock goes back to school at Bishopbriggs HS; Scotland under 17 players take part in Edinburgh Rugby's half-time chat at Murrayfield

L-R: Chris Cusiter goes for a whole new ball game at Pittodrie; Clyde Coo at Firhill; Richie Gray's flying in Glasgow; Dr James Robson receives a Fellowship from the Royal College of Surgeons in Edinburgh; Greig Laidlaw and Ruaridh Jackson with their debut caps following the match against New Zealand



L-R: Flying the flag for Scotland 7s; training's s-no fun for Scotland Women under-20; Glasgow Warriors visit Scotstoun Primary; Edinburgh Rugby celebrate the swings and roundabouts of outrageous 1872 Cup kit; the mini Melrose massive at Murrayfield!













### Scottish Rugby wishes to thank Murray:

For their outstanding contribution over the last five seasons



Scottish Rugby welcomes The Royal Bank of Scotland: Our new main sponsor

Scottish Rugby also wishes to thank the following official partners and sponsors for their contribution during the 2010/11 Season:





National team kit partners







Sponsors of Emirates Airlines Edinburgh Sevens

Sponsors of the HSBC Sevens World Series







Sponsors of EMC Autumn Tests







Broadcast partner



Official hospitality partner











































EMIRATES Airline EDINBURGH OFFICIAL SPONSORS











FRONT COVER PHOTO: JOE ANSBRO MAKES HIS SCOTLAND DEBUT IN THE EMC AUTUMN TEST VICTORY OVER SOUTH AFRICA, NOVEMBER 2010 BACK COVER PHOTO: YOUNG PARTICIPANTS AT THE FORRESTER MINI RUGBY FESTIVAL, MAY 2011

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