

Scottish National War Memorial

Trustees' report and financial statements
for the year ended 31 March 2020

Scottish Charity Number SC009869

Contents

	Page
Trustees' report	1
Independent examiner's report to the Trustees on the financial statements	10
Statement of receipts and payments	11
Statement of assets	12
Notes	13

Trustees' report *for the year ended 31 March 2020*

The Trustees present their report and financial statements for the year ended 31 March 2020.

Reference and Administrative information

Board of Trustees (April 2019 to Nov 2020)

* Denotes Member of the Executive and Finance Committee

Lord Provosts (Ex-Officio)

*Francis Ross Esq (from May 2017)	Rt Hon the Lord Provost of Edinburgh
Eva Bolander (from May 2017)	Rt Hon the Lord Provost of Glasgow
Philip Braat (from Jan 2020)	Rt Hon the Lord Provost of Glasgow
Barney Crockett (from May 2017)	Lord Provost of Aberdeen
Ian Borthwick (from May 2017)	Lord Provost of Dundee

Service Chiefs (Ex-Officio)

*Major General A Bruce of Crionaich OBE VR DL (from July 2019) Governor Edinburgh Castle

Appointed by The Royal British Legion Scotland

*Major-General MJ Strudwick CBE KStJ Chairman of Trustees

Appointed by The Scottish Trades Union Congress

Grahame Smith Esq	(General Secretary)
Rozanne Foyer (from Jul 2020)	(General Secretary)

Appointed by HM Scottish Ministers

*Tom Murray Esq WS
*Revd Neil Gardner
*Penny Loudon BA LLB LPDip NP

Appointed by the Convention of Scottish Local Authorities (COSLA)

Cllr (Provost) Pat Reid (from Aug 2017)	(Falkirk Council)
Cllr Elaine Robertson (from Aug 2017)	(Argyll and Bute Council)
Cllr Alasdair MacLeod (from Aug 2017)	(Comhairle nan Eilean Siar)
Cllr (Baillie) Helen Wright (from Aug 2017)	(Dundee City Council)
Cllr Roderick Balfour (from Aug 2017)	(Highland Council)
Cllr John Greenwell (from Aug 2017)	(Scottish Borders Council)

Officials

*Lieutenant Colonel CD McGrory	Secretary
*Major TD Straton TD CA CTA	Honorary Treasurer
Miss M-C Macfarlane	Assistant Secretary

Observers (attending or represented at meetings)

Flag Officer Scotland and Northern Ireland	Commodore Bob Anstey
Air Officer Scotland	Air Vice-Marshal R Paterson CB OBE ADC DL
Commander Edinburgh Garrison	Lieutenant Colonel HIM Clark MBE SCOTS

Independent Examiners

MHA Henderson Loggie
Chartered Accountants
11-15 Thistle Street
Edinburgh
EH2 1DF

Bankers

Holt's Military Banking
200 Fowler Avenue
Fowler Business Park
Farnborough
GU14 7JP

Investment Managers

Brewin Dolphin
6th Floor, Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Administrative Office

The Scottish National War Memorial
The Castle
Edinburgh
EH1 2YT

Registered Charity Number

SC 009869

Communications

Telephone: 0131 226 7393
Web-site: www.snwm.org
E-mail: info@snwm.org

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution. The Scottish National War Memorial is a body corporate, created by Royal Charter dated 29 November 1947 as amended by the Supplementary Charters dated 28 October 1975 and 11 October 2005. There are no formal relationships with other bodies.

Governance. The responsibility for appointing Trustees is laid down in the Royal Charter. Once appointed each Trustee receives a letter from the Secretary along with copies of the Royal Charter, Office of the Scottish Charity Regulator's Guidance for Charity Trustees and the War Memorial guide book. The Trustees have appointed certain of their number to an Executive and Finance Committee and form other sub-committees as occasion demands. Routine decisions, including implementing the Trustees' Rules of Eligibility, are delegated to the Secretary who submits an annual report to the Trustees. More important or complex matters are considered and concluded by the Executive Committee or referred to the Board of Trustees. The Executive Committee monitors investment management and conducts an annual inspection of the Memorial with Historic Environment Scotland architects and staff in attendance.

Risk Statement. The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate their exposure to these major risks. The major risks are accidental injury to visitors, wind damage to the stained glass windows and acts of vandalism in the Memorial. Controls put in place in respect of them are public liability insurance, regular inspection of the windows, and the presence of one or more Guides or Stewards in the Memorial. The other major risk has been identified as a fall in value or yield of investments. This risk is mitigated by Brewin Dolphin as investment managers, as noted later in this Report.

OBJECTIVES AND ACTIVITIES

Objectives. As stated in the Royal Charter:

- To maintain the Rolls of Honour and Memorials in the Shrine.
- To arrange anniversary and other services and ceremonies.
- To administer donations, collections and other income for the aforesaid purposes.
- To make donations to Service charities.

Activities carried out during the Reporting Period. The processing of requests for additions and amendments to the Rolls of Honour continued as did requests for the purchase of certificates, roll extracts and guidebooks. The annual programme of conservation and cleaning of the flags and colours took place. Commemorative Services were held in April, May and November, as recorded later in the Report.

Volunteers. The Trustees appreciate the voluntary assistance received each week from Major TD Straton TD in collecting, counting, banking and accounting for the cash donations from the Memorial, along with his work in preparing budgets and end of year reports. Credit is accorded to Charles Burnett Esq, Ross Herald Extraordinary, for his expertise in calligraphy for the Visitors' Book.

Secretarial. Towards the end of 2018 the Secretary to the Trustees Lt Col (Retd) Colin McGrory started the recruitment process for an Assistant which culminated in the appointment of Miss Mary-Clare Macfarlane as Assistant Secretary with a start date of 1 April 2019. Miss Mary-Clare Macfarlane quickly became an invaluable member of the small team at the Memorial.

ACHIEVEMENTS AND PERFORMANCE

The Rolls of Honour. Research work to improve the integrity of the data-sets for the Rolls of Honour continued up until April 2019 when the previous Secretary, Lt Col (Retd) Roger Binks, retired from the Memorial. Refurbishment of the binders allowed some rationalisation of content, along with improvements to the presentation of individual entries that required amending.

Verification of individual entries for subsequent correction was completed alongside traditional requests for additions or amendments, general enquiries and extracts from the Rolls.

Rolls of Honour Statistics	2019/20	2018/19	2017/18	2016/17
Total Names Recorded 1914/18	148,422	148,385	148,357	148,330
Total Names Recorded 1939/45	57,743	57,739	57,733	57,726
Total Names Recorded Post 1945	860	857	855	853
Amendments	36	149	116	172
Additions	23	36	36	-88
General Enquiries	42	95	85	129
Purchase of Extracts and Certificates	198	345	273	251

The Trustees continue to receive requests for additions to the Rolls of Honour. These generally point towards Scots not previously notified to SNWM, often from the Dominions (notably Canada), or units without a direct Scottish link, such as the Navy, Air Force and Army support arms, or those who were discharged as unfit due to combat service. Occasionally very enthusiastic amateur historians forward large numbers of names to be added to the Memorial Rolls. The Assistant Secretary, who bears the brunt of the work in this area often has to be firm with correspondents to ensure that they provide the necessary evidence to support their applications. Some applicants produce long lists of names; circa 100 is not uncommon.

The content of the database is refreshed frequently, and extracts are available to order by the general public via the SNWM website. The Assistant Secretary has also instituted a regular programme to reprint Rolls as they become worn.

Visitors to the Memorial. The Trustees gratefully acknowledge all assistance from the Executive Manager and the dedicated team of Historic Environment Scotland Guides and Stewards at Edinburgh Castle who staff the War Memorial.

Admissions to Edinburgh Castle	2019/20	2018/19	2017/18	2016/17
Total admissions (including free entry to Memorial)	1,918,986	2,118,715	2,082,048	1,808,715
Non paying visitors (Memorial Only)	1091	786	651	811
Percentage of total admissions	0.057	0.037	0.031	0.062

Working closely with Memorial staff, Historic Environment Scotland maintained the procedure for visitors to Edinburgh Castle specifically wishing to pay respects at the War Memorial only, thereby gaining entry to the Castle free of charge. These visitors are expected to respect the "War Memorial Only" nature of their entry and not use it as an underhand way to gain free entry to the whole of the Castle.

COMMEMORATION SERVICES AND CEREMONIES

Commemoration Services and Ceremonies held within the Scottish National War Memorial. Throughout the Reporting Period, the traditional pattern was followed:

- ANZAC/Gallipoli Day Service. The ANZAC/Gallipoli Day Service, sponsored by Royal British Legion Scotland, was held on Thursday 25 April 2019, attracting many Australian and New Zealand visitors. The service was conducted by Rev Dr Karen Campbell, Chaplain Royal British Legion Scotland. Traditional wreaths were laid, and the service was concluded with readings and National anthems.
- The Annual Service of Commemoration of the War Memorial. The 92nd Annual Service of Commemoration was held on Wednesday 29 May 2019. The Royal Navy was the lead Service and the Officiating Chaplain was the Deputy Chaplain of the Fleet (DCOTF), the Reverend Professor Scott Shackleton. The First Minister was in attendance, and the Secretary of State for Scotland was represented by the Rt Hon Lord Keen of Elie the Advocate General of Scotland. The address was given by the Reverend Colin Sinclair the Moderator of the General Assembly of the Church of Scotland.
- Armistice Service. 51 Infantry Brigade and HQ Scotland held their annual Armistice Day Service in the Memorial on Monday 11 November 2019. The Service was led by the Brigade Padre the Reverend Duncan Macpherson. Seven Trustees of the Memorial and their guests attended the service.

Events and visits. The Trustees rely on assistance from the Edinburgh Castle Guides on day-time duty in the War Memorial to help visitors enjoy the Memorial and often track down relatives who are commemorated in the Rolls of Honour. Evening visits, by special arrangement, are frequently hosted by the SNWM Secretary. In addition to several planning meetings for primary commemorations, Castle liaison meetings, external requests, key events and visits during the year from 1 April 2019 included:

April 2019

25 ANZAC/Gallipoli Service.

May 2019

4 Evening visit and service by group of Dutch ladies commemorating the liberation of Holland in WW2.

27 Evening visit to the Memorial – 105 Regt RA.

29 92nd SNWM Annual Service.

June 2019

7 Corporate visit to the Memorial by Aston Martin Owners Club.

9 Castle Service and Education Sunday. Led by Rev Duncan Macpherson. DACG 51 Bde.

26 Visit to Memorial by Canadian officers.

September 2019

19 Evening visit to the Memorial by 39 Sig Regt.

28 Combined Castle Family and Gallantry Medalists League service.

October 2019

5 Evening visit and service for 22 SAS Association (Scottish Branch).

8 72nd AGM of the Scottish National War Memorial.

November 2019

5 Visit to the Memorial by the Military Chaplains of the Church of Scotland.

10 Evening visit and service by the RA Association of Edinburgh.

11 Armistice Day service.

28 Evening Service for the Royal Navy Submarine Service.

December 2019

3 Visit to the Memorial and filming by the Maryhill Burgh Halls Trust.

5 Visit to the Memorial by the Commonwealth War Graves Commission.

10 Visit to the Memorial by the Royal College of Defence Studies.

January 2019

17 Visit to the Memorial by art students from Napier University

March 2019

17 Annual Inspection of the Memorial and Executive Committee - Cancelled due to COVID-19

CARE OF THE MEMORIAL, CORPORATE DEVELOPMENT, PUBLICATIONS, STOCK AND CHARITABLE DONATIONS

The Building. The Trustees are grateful for the diligence of the departments within Historic Environment Scotland responsible under the Charter for the continuing maintenance of the building within Edinburgh Castle. In March each year the Regional Architects, Mr David Storrar and Mr Bruce Chandler, escort Trustees around the Memorial and highlight any issues that they should be aware of. The March 2019 inspection was cancelled due to COVID-19 however HES still delivered their report. Key issues from the March 2019 report included:

- The Casket was due to be cleaned in May 2020.
- The stained glass windows require some minor conservation work. This work will be planned into the programme for 2020.
- Monitoring of humidity levels and subsequent remedial actions remain a priority.
- The Trustees have given permission for the installation of solar panels on the roof of the Memorial. They will not be visible from ground level.
- HES are going to commission a report on the condition of the bronze friezes in the Memorial.

Regimental Flags. As part of the annual rolling preservation programme, some 27 of the 63 flags and colours laid up in the Memorial were cleaned, inspected and restored or preserved as necessary. As ever, the Trustees appreciate the excellent work carried out by the team of ladies who come in for one morning twice a month from October to March.

Corporate Development. A major project within the Corporate Development area started in March 2018. This would be the development of the Rolls of Honour Database as planned in Project CENTENARY. Project CENTENARY was to secure the future and security of the Rolls of Honour in both their physical manifestation within the Memorial and on the electronic database. CENTENARY had two main aims:

- To check that the software and hardware the Rolls of Honour database currently reside on are the most appropriate for the future.
- To tidy up the current database and carry out any structural changes necessary.

CENTENARY will be reported on by the Secretary at the November 2020 AGM. Great progress was made with optimizing the structure of the Rolls of Honour and this strand of work was completed at the end of March 2019. It became apparent however that the office IT system was no longer fit for purpose and needed replacing. This happened during the course of 2019 at a total cost of £3,528.40.

Stock of Goods. Sets of postcards, images of the stained glass windows by Douglas Strachan, and book-marks, showing cartoons of the bronze friezes by Morris and Alice Meredith Williams, sold moderately well at Historic Environment Scotland shops, which also stock 'Scotland's Shrine'. Sales of Guide Books, postcards and bookmarks though the Memorial website were steady.

"Their Name Liveth". It was planned that "Their Name Liveth", the original 1930s Ian Hay book on the Memorial would be reprinted before the end of February 2019. Due to the Secretary taking a period of sick leave and increased activity due to the Royal visit in July 2018 and the 100th Anniversary of the Armistice later in the year, a reprint of the book did not happen. It is now planned to reprint the book in the latter part of 2020. A print run of 2000 is still planned with 900 of these going to schools and colleges in every Council area of Scotland. This would leave 1100 of the publication in stock available for sale.

Charitable Donations. A review of any charitable donations to be made by the SNWM to Service charities is an agenda item at the March meeting of the Executive and Finance Committee. In addition to these donations, when a Castle Family Service is hosted by a particular organisation as happens in March with the Airborne Alliance and June with the AGC ETS/RAEC services, collections are split two thirds to the organisation, and one third to the Memorial. Donations made in this manner during the Reporting Period were as follows:

- | | |
|--|------|
| • Poppy Scotland | £245 |
| • Royal Army Education Corps Association | £170 |

PLANS FOR NEXT REPORTING PERIOD

Forecast of Events. The following commemorations, events and services are planned post March 2020:

- 25 April ANZAC Service
- 29 April Edinburgh Castle Governor's Installation
- 27 May Memorial Annual Service
- 14 June Castle Family Service – Education Sunday
- 15 August VJ Day Service
- 28 August Evening visit and Service by the Beyond the Battlefield
- 29 August Evening Visit by the Nari Kallyan Shangho Charity
- 2 September End of WW2 Service
- 18 October Castle Family Service – Medical Sunday
- 10 November SNWM AGM
- 11 November Armistice Service

The Memorial. Although there is no requirement or scope to adjust the interior of the Memorial, the Trustees would welcome the deposit of stands of Colours from the antecedent Regiments of the Royal Regiment of Scotland, and Royal Scots Dragoon Guards should their respective Trustees so desire. The Colour of the Royal Air Force Regiment was the last standard to be laid up on 5 July 2018.

The Archive and Library. Time-consuming work on compiling an electronic index of previous documents and correspondence continued throughout the reporting period. This will assist future research, as has the establishment of a full photographic archive in digital form. Such images can be used to illustrate the website and prospective publications.

The Rolls of Honour. The work of adding and amending entries to the Rolls of Honour continues. This is illustrated by the figures given elsewhere in the Report and enhanced by a sound working relationship with the Service Personnel and Veterans Agency through the Joint Casualty and Compassionate Centre and the Commonwealth War Graves Commission. Improvements to binders containing the printed pages continue with restoration carried out by Riley, Dunn and Wilson at Falkirk.

COVID-19

Whilst COVID-19 was obviously not part of the plans for the Memorial going into the 2020/21 Financial year, it was thought appropriate to mention a few events that that occurred as a direct result of the pandemic.

- With the exception of two evening visits and services held on 28 and 29 August 2020, all commemorations and services in the Memorial were cancelled. The two services held were conducted with strict adherence to Scottish Government and Historic Environment Scotland guidelines.
- The Assistant Secretary was Furloughed as part of the Government's Job Retention Scheme from 1 April – 31 May 2020.
- The Memorial made two donations to charities that were in its judgement significantly affected by the pandemic. £10,000 to Crisis UK & £10,000 to Shelter

The National Lockdown of late March 2020 caused by the COVID-19 pandemic, and subsequent closure of Edinburgh Castle, immediately stopped income generated from the Donation Boxes in the Memorial. In a normal year income from these boxes can be in the region of £1,500 to £2,000 a month. This income ceased over the period April to July inclusive. The Castle opened for visitors again in August, but with numbers reduced to a maximum of 1,000 a day, as opposed to normal figures in excess of 10,000 at the peak of the summer season. This will inevitably have substantially reduced income to the Memorial through donations. Also, due to the cancellation of all services and corporate visits, it is estimated that the Memorial lost out on approximately £1,000 of donations received through these events.

FINANCIAL REVIEW

Summary. There were net payments of £2,317 (2019: net receipts of £10,754) for the year. General collections and donations of £20,459 (2019: £27,088) were 24% lower than the previous year. This figure included donations from The Royal Edinburgh Military Tattoo Company, the Royal Navy, the Gallantry Medallists League, various groups who attended private ceremonies in the Memorial and other corporate visitors. Expenditure was down on the previous year. Investment income of £17,164 was slightly up on last year's of £16,744. The principle funding sources of the Memorial remain donations and collections, together with investment income. These funds are used to meet the costs of achieving the charitable objectives as described above.

Investment Policy and Performance. In accordance with the Royal Charter the Trustees have the power, subject to the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, to invest in such shares, bonds and other investments as they see fit. The Trustees have appointed Brewin Dolphin to maintain investments with their discretionary management service. The investment management aim is balanced return (capital and income) while adopting a medium risk strategy. During the year, the value of the portfolio fell by 9.2% based on a total portfolio as at 31 March 2020 of £453,418 of (31 March 2019 £499,306).

Taxation. The Trust is recognised by Her Majesty's Revenue and Customs as a charity and as such is not liable to tax on income or capital gains.

Statement of Trustees' Responsibilities. The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Law applicable to Charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Major General MJ Strudwick CBE KStJ
Chairman of Trustees



Tom Murray Esq, WS
Trustee

10 November 2020

Edinburgh Castle

Independent Examiner's Report to the Trustees of Scottish National War Memorial

I report on the accounts of Scottish National War Memorial for the year ended 31 March 2020 which are set out on pages 11 to 14.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the Trustees, as a body, for my work or for this report.

Respective responsibilities of Trustees and Independent Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity Trustees consider that the audit requirement of Regulation 10(1) (d) of the Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the Regulations; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Regulations;have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



James Davidson CA

12 November 2020

Statement of receipts and payments
for the year ended 31 March 2020

	Note	Unrestricted 2020 £	Unrestricted 2019 £
Receipts from;			
Donations		20,459	27,088
Investments		17,164	16,744
<i>Gross receipts from Charitable activities</i>			
Sale of memorial guide books, etc	2	2,339	2,194
Fees for Rolls of Honour Extracts		1,145	1,886
		41,107	47,912
Receipts from asset and investment sales			
Proceeds from the sale of investments		67,450	28,770
		108,557	76,682
Payments for:			
<i>Raising funds</i>			
Investment management costs		(3,145)	(2,943)
<i>Charitable activities</i>	3	(38,297)	(39,493)
		(41,442)	(42,436)
Payments relating to assets and investment movements			
Purchase of investments		(65,864)	(23,492)
Purchase of assets		(3,568)	-
		(110,874)	(65,928)
Net receipts/(payments)		(2,317)	10,754
Cash at bank and in hand as at 1 April 2019		50,081	39,327
Cash at bank and in hand as at 31 March 2020		47,764	50,081

Statement of balances
as at 31 March 2020

	Fund	2020		2019	
		£		£	
Cash Funds					
Bank accounts	Unrestricted - general	43,119		43,785	
Cash in hand	Unrestricted - general	30		-	
Investment cash	Unrestricted - general	4,615		6,296	
Total		47,764		50,081	
Investments					
		Cost	Market	Cost	Market
		£	value	£	value
			£		£
Quoted investments	Unrestricted - designated	373,984	453,418	340,674	499,306
Total		373,984	453,418	340,674	499,306
Other assets					
		Cost	Current	Cost	Current
		£	value	£	value
			£		£
Tangible fixed assets	Unrestricted - general	15,854	2,887	12,286	-
Stock	Unrestricted - general	5,903	5,903	6,738	6,738
Total		21,757	8,790	19,024	6,738
Liabilities			-		-

The designated fund is the capital of the Trustees and is designated to avoid it being spent on maintenance.

Approved by the Trustees on 10 November 2020 and signed on their behalf by:



Major General MJ Strudwick CBE KStJ
Chairman of Trustees



Tom Murray Esq, WS
Trustee

The note on pages 13 to 14 form part of these financial statements.

Notes

1 Accounting policies

Accounting convention

The financial statements are prepared on a receipts and payments basis and The Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of accounting

Income is recognised when it is received. Expenditure is accounted for when it is paid.

Stock

Stock of goods for resale are valued at the lower of cost and net realisable value.

Taxation

The Trust is recognised as a charity by HM Revenue & Custom and it is therefore not liable to tax on any of its income for the year.

- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

2 Profit on sales of guide books, notes, etc

	2020 £	2020 £	2019 £	2019 £
Sales		2,339		2,194
Cost of sales:				
Opening stock	(6,738)		(6,874)	
Purchases	(793)		(1,215)	
Less: Closing stock	5,903		6,738	
		<u>(1,628)</u>		<u>(1,351)</u>
Profit		<u>711</u>		<u>843</u>

Notes (continued)

3 Expenditure on charitable activities

	2020	2019
	£	£
<i>Maintenance of Rolls of Honour and Colours:</i>		
Staff costs – Direct	16,422	17,507
Maintenance costs	1,396	995
Costs of sales of guide books, notes etc (note 2)	793	1,215
Support costs (note 4)	8,340	8,111
<i>Annual Ceremonies and Services:</i>		
Staff costs – Direct	4,667	4,975
Annual Ceremony costs	1,033	1,252
Support costs (note 4)	2,162	2,111
Governance costs (note 5)	3,484	3,327
	38,297	39,493
	38,297	39,493

4 Support costs

	Maintenance of Rolls, etc £	Annual Ceremony £	Governance costs £	2020 £	2019 £
Staff costs	2,575	721	1,862	5,158	5,498
Office expenses	2,227	556	-	2,783	2,746
Insurance	927	232	-	1,159	1,102
Website costs	2,611	653	-	3,264	2,361
Other charities	-	-	-	-	500
	8,340	2,162	1,862	12,364	12,207
	8,340	2,162	1,862	12,364	12,207

5 Governance costs

	2020	2019
	£	£
Independent Examiner's fee	1,320	1,278
AGM expenses	302	64
Support costs – Trustees' meetings, etc (note 4)	1,862	1,985
	3,484	3,327
	3,484	3,327

During the year the average number of employees was 2 (2019: 2). All employees are regarded as key management. There were no employees with emoluments of £60,000 or more during the year.

No remuneration is paid to Trustees. No expenses were reimbursed to Trustees in the year (2019: £Nil).

6 Heritage assets

The Trustees have considered the requirement to report the nature of Heritage Assets under the control of the Trust. The Memorial is located within Edinburgh Castle, the fabric of which is under the care and protection of Historic Scotland. Within the memorial building, the Trustees have identified the following heritage assets:

- The Scottish National War Memorial Rolls of Honour including covers and Regimental Badges, on display to the general public. The original Rolls were compiled from War Office lists, from the Commonwealth War Graves Commission and from lists supplied from the Commonwealth countries and elsewhere. These Rolls of Honour are deposited in the Memorial Casket, itself a heritage asset of the Trust, as are the carvings, windows and other works of art.
- The Memorial database of names and Regimental Colours presented to the Trustees, where the Trust is custodian, are also considered heritage Assets of the Trust.

The Trustees are of the view that no value can be placed on these items for accounting purposes.