

Scottish National War Memorial

Trustees' report and financial statements
for the year ended 31 March 2021

Scottish Charity Number SC009869

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Trustees' report *for the year ended 31 March 2021*

The Trustees present their report and financial statements for the year ended 31 March 2021.

SCOTTISH NATIONAL WAR MEMORIAL TRUSTEES' REPORT

The Trustees present their report and financial statements for the year ended 31 March 2021.

Reference and Administrative information

Board of Trustees (April 2020 to Oct 2021)

* 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
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 (retired 31 March 2021) Chairman of Trustees
Major General R Bruce CBE DSO (from April 2021)

Appointed by The Scottish Trades Union Congress

Rozanne Foyer (from Jul 2020) (General Secretary)

Appointed by HM Scottish Ministers

*Tom Murray Esq WS

*Revd Neil Gardner

*Penelope Loudon BA LLB LPDip NP (Elected to be Chairman with effect from 31 March 2021)

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 (Retired 30 April 2021)

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

Trustees' report (continued)
for the year ended 31 March 2021

Independent Examiners

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

Trustees' report (continued) *for the year ended 31 March 2021*

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. However, the COVID-19 Pandemic significantly affected the annual programme of commemorative events and the conservation and cleaning of the flags, colours, guidons and ensigns.

Trustees' report (continued) for the year ended 31 March 2021

Volunteers. The Trustees appreciate the voluntary assistance received each week during the reporting period from Major Tim 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. Tim Straton retired at the end of the period and assisted the new Treasurer Mr Alistair Christie in taking over the role. Credit is also accorded to Charles Burnett Esq, Ross Herald Extraordinary, for his expertise in calligraphy for the Visitors' Book.

ACHIEVEMENTS AND PERFORMANCE

The Rolls of Honour.

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	2020/21	2019/20	2018/19	2017/18
Total Names Recorded 1914/18	148,468	148,422	148,385	148,357
Total Names Recorded 1939/45	57,759	57,743	57,739	57,733
Total Names Recorded Post 1945	861	860	857	855
Amendments	18	36	149	116
Additions	63	23	36	36
General Enquiries	148	42	95	85
Purchase of Extracts and Certificates	66	198	345	273

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.

Trustees' report (continued) for the year ended 31 March 2021

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	2020/21	2019/20	2018/19	2017/18
Total admissions (including free entry to Memorial)	96,322	1,918,986	2,118,715	2,082,048
Non paying visitors (Memorial Only)	7	1091	786	651
Percentage of total admissions	0.007	0.057	0.037	0.031

Working closely with Memorial staff, when COVID allowed, 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 of services and commemorations was severely disrupted by COVID. The following services were cancelled:

- ANZAC/Gallipoli Day Service - 25 April 2020
- The Annual Service of Commemoration of the War Memorial - 27 May 2020
- Education Sunday Castle Family Service – June 2020
- Medical Sunday Castle Family Service – October 2020
- Airborne Alliance Castle Family Service – March 2021

Remembrance Sunday. The Trustees were asked to host the Remembrance Sunday Service normally held at the City Chambers and St Giles Cathedral. 25 people attended including the First Minister

Armistice Service. The 51 Infantry Brigade and HQ Scotland held their annual Armistice Day Service in the Memorial on 11 November 2020 although there were only 25 attendees.

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. These were also severely affected by COVID which in turn adversely affected the amount of donations that are normally given during these visits.

One private ceremony took place on 12 June 202 when HQ 51Bde commemorated the fall of the 51st Highland Division at St Valery in France on 12 June outside the Memorial.

Trustees' report (continued) *for the year ended 31 March 2021*

CARE OF THE MEMORIAL, 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.

The March 2021 inspection did not take place due to COVID. However, the work carried out by the Monument Conservation Unit (MCU) of HES during the reporting period has been outstanding. The building of a large scale scaffolding structure allowed for extensive cleaning and inspection work to be carried out on the stained glass of the Shrine. Another scaffold was constructed on the front of the building allowing for the cleaning of a major statue, the erection of anti-pigeon netting in front of it, and extensive repointing to be carried out over much of the frontage.

Stock of Goods. The sales of Postcards, Book Marks and Guidebooks whether on line or direct to the public in the HES Castle Shops, has been very low compared to previous years.

"Their Name Liveth". The book "Their Name Liveth", the original 1930s Ian Hay book on the Memorial was republished in September 2021 with a print run of 2500. With the financial support of the Royal Edinburgh Military Tattoo and the Hudson Charitable Trust, 845 copies of the book were donated to every Secondary School and Public Library in Scotland.

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 they occur, 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. These Castle Family Services did not take place in this reporting period.

The Trustees of the Memorial decided to use the COVID pandemic as an opportunity to help other charities who would be severely affected by it. To this end the Memorial donated £10,000 to Shelter and £10,000 to Crisis in April 2020. The Trustees requested that if possible funds should be directed to Veterans but were not prescriptive about how they should be used.

The Memorial also donated £500 to Poppy Scotland in the Reporting period.

Trustees' report (continued) for the year ended 31 March 2021

PLANS FOR NEXT REPORTING PERIOD

Forecast of Events. Due to COVID planning for events and commemorative services was very difficult and what was achieved has already been reported. Nearly all events were cancelled.

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 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.

FINANCIAL REVIEW

Summary. There were net payments of £19,191 (2020: Net payments of £2,317) for the year. General collections and donations of £4,472 (2020: £20,459) were 78% lower than the previous year. Investment income of £13,817 reduced by 20% from the previous years total of £17,164. 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 rose by 17% based on a total portfolio as at 31 March 2021 of £532,515 (31 March 2020 £453,418).

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.

Approved by the Trustees



Penelope Loudon BA LLB LPDip NP
Chairman of Trustees

12 October 2021

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 2021 which are set out on pages 9 to 12.

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

30 November 2021

Statement of receipts and payments
for the year ended 31 March 2021

	Note	Unrestricted 2021 £	Unrestricted 2020 £
Receipts from;			
Donations		4,472	20,459
Investments		13,817	17,164
<i>Gross receipts from Charitable activities</i>			
Sale of memorial guide books, etc	2	67	2,339
Fees for Rolls of Honour Extracts		525	1,145
		<hr/>	<hr/>
		18,881	41,107
Receipts from asset and investment sales			
Proceeds from the sale of investments		139,023	67,450
		<hr/>	<hr/>
Total receipts		157,904	108,557
Payments for:			
<i>Raising funds</i>			
Investment management costs		(3,004)	(3,145)
<i>Charitable activities</i>	3	(50,284)	(38,297)
		<hr/>	<hr/>
		(53,288)	(41,442)
Payments relating to assets and investment movements			
Purchase of investments		(121,767)	(65,864)
Purchase of assets		(2,040)	(3,568)
		<hr/>	<hr/>
Total Payments		(177,095)	(110,874)
		<hr/>	<hr/>
Net payments		(19,191)	(2,317)
Cash at bank and in hand as at 1 April 2020		47,764	50,081
		<hr/>	<hr/>
Cash at bank and in hand as at 31 March 2021		28,573	47,764
		<hr/> <hr/>	<hr/> <hr/>

Statement of balances
as at 31 March 2021

		2021		2020	
Fund		£		£	
Cash Funds					
Bank accounts	Unrestricted - general	21,829		43,119	
Cash in hand	Unrestricted - general	30		30	
Investment cash	Unrestricted - general	6,714		4,615	
Total		28,573		47,764	
		Cost	Market	Cost	Market
		£	value	£	value
		£	£	£	£
Investments					
Quoted investments	Unrestricted - designated	390,140	532,515	373,984	453,418
Total		390,140	532,515	373,984	453,418
		Cost	Current	Cost	Current
		£	value	£	value
		£	£	£	£
Other assets					
Tangible fixed assets	Unrestricted - general	5,608	3,824	15,854	2,887
Stock	Unrestricted - general	5,845	5,845	5,903	5,903
Total		11,453	9,669	21,757	8,790
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 12 October 2021 and signed on their behalf by:

Penelope Loudon BA LLB LPDip NP
Chairman of Trustees

The note on pages 11 to 12 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/ loss on sales of guide books, notes, etc

	2021 £	2021 £	2020 £	2020 £
Sales		67		2,339
Cost of sales:				
Opening stock	(5,903)		(6,738)	
Purchases	(328)		(793)	
Less: Closing stock	5,845		5,903	
		(386)		(1,628)
 (Loss)/Profit		 (319)		 711

Notes (continued)

3 Expenditure on charitable activities

	2021	2020
	£	£
<i>Maintenance of Rolls of Honour and Colours:</i>		
Staff costs – Direct	14,932	16,422
Maintenance costs	935	1,396
Costs of sales of guide books, notes etc (note 2)	328	793
Support costs (note 4)	4,876	8,340
<i>Annual Ceremonies and Services:</i>		
Staff costs – Direct	4,243	4,667
Annual Ceremony costs	125	1,033
Support costs (note 4)	1,290	2,162
Donations to other charities	20,500	-
Governance costs (note 5)	3,055	3,484
	50,284	38,297
	50,284	38,297

4 Support costs

	Maintenance of Rolls, etc £	Annual Ceremony £	Governance costs £	2021 £	2020 £
Staff costs	2,341	656	1,693	4,690	5,158
Office expenses	1,188	296	-	1,484	2,783
Insurance	874	219	-	1,093	1,159
Website costs	473	119	-	592	3,264
	4,876	1,290	1,693	7,859	12,364
	4,876	1,290	1,693	7,859	12,364

5 Governance costs

	2021	2020
	£	£
Independent Examiner's fee	1,362	1,320
AGM expenses	-	302
Support costs – Trustees' meetings, etc (note 4)	1,693	1,862
	3,055	3,484
	3,055	3,484

During the year the average number of employees was 2 (2020: 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 (2020: £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.