

Preserving the

PAST

**Annual Report
& Accounts
2012-2013**

Recording the

PRESENT

Informing the

FUTURE

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SG/2013/91

Foreword and introduction by Tim Ellis, the Chief Executive of National Records of Scotland, who is also Registrar General and the Keeper of the Records of Scotland.



Welcome

This is the second Annual Report and Accounts for National Records of Scotland (NRS). We report on key business objectives identified from our strategic plans, report on how we used our budget and what we achieved throughout 2012-13.

We had a number of changes and high points throughout this year.

Tim Ellis Chief Executive

George MacKenzie retired as Keeper/Registrar General in September after 37 years with NRS and its predecessor bodies. His deep knowledge and expertise will be sadly missed, but I am delighted that he will continue to be involved with the sector, not least as chair of the Ancestral Tourism Group.

Audrey Robertson (Head of Corporate Services Division and NRS Accountable Officer) very ably led the organisation through the winter and the organisation has benefited from the initiatives she put in place during that period.

We have continued with the implementation of the Public Records (Scotland) Act 2011, which came into force on 1 January 2013. We held six major successful surgeries throughout Scotland to inform councils and organisations about the Act.

In August 2012 we launched the William Wallace Exhibition in the Scottish Parliament. This exhibition focussed on two letters with a direct link to Wallace. The first, known informally as the Lübeck letter, was issued by Wallace and Andrew Moray as Guardians of Scotland after their success at the Battle of Stirling Bridge in 1297. The second is a letter from the French King Philip IV to his agents at the Papal Court, asking them to assist Wallace with his business before the Pope. This letter dates back to 1300.

This exhibition would not have been made possible without the support of the Archiv der Hansestadt Lübeck, Germany and The National Archives, London who generously loaned these documents to us.

The Scottish Census took place in 2011, and in December 2012 we published Release 1A of the Census results. This was followed in March 2013 by Release 1B. These statistics estimated the usually resident population of Scotland is just under 5.3 million and provided more detailed population by council area.

Subsequent releases are planned during 2013 and will demonstrate the richness of the data collected in the Census.

Finally, we have also engaged with many large-scale policy developments, including the evolving Marriage and Civil Partnership Bill and the implementation of the Certification of Death (Scotland) Act.

These legislative developments will bring important changes to the registration systems for marriages and deaths respectively and we are continuing to work with partners to ensure any changes are implemented smoothly.

The new logo depicts the open pages of a book, representing the diverse responsibilities of the organisation.



The Scottish Government's official copy of the 'Edinburgh Agreement' confirming the referendum on Scottish independence.



Highlights of 2012-13

New identity for NRS

In April 2012, NRS gained a new visual identity. You can see our new logo, strapline and associated colours reflected throughout this Annual Report.

The new logo depicts the open pages of a book, representing the diverse responsibilities of the organisation. The book is used here as a visual shorthand for records, documents, information and knowledge, and by displaying all the pages, suggests openness and accessibility. The outline of the open book image also resembles the domes that are strong architectural features on two of the buildings of NRS – General Register House and New Register House.

Census

We released the first of the 2011 Census results during this year. Releases 1A and 1B confirmed that Scotland's population is now at its highest ever level of 5,295,000.

Public Records (Scotland) Act 2011

This year saw several major developments in the implementation of the Public Records (Scotland) Act 2011 (PRSA) which came into force in full on 1 January 2013.

Independence Referendum Agreement

This year saw the notable acquisition of the Scottish Government's official copy of the 'Edinburgh Agreement' confirming the referendum on Scottish independence to be held in 2014. Signatories include the First Minister of Scotland, Alex Salmond and the Prime Minister, David Cameron (ref: SP 14/1). It is catalogued as one of our State Papers, a series which includes the Declaration of Arbroath (ref: SP 13/7).

Scotland's Census website provides a range of tools to aid interpretation and understanding of the results.



Looking forward Census

The results of the 2011 Census will continue to be published throughout 2013 and into 2014 on the Scotland's Census website (www.scotlandscensus.gov.uk). The website provides a range of tools to aid interpretation and understanding of the results. These include a population comparator tool (allowing you to see how results compare with 2001) and an interactive mapping tool (allowing you to view results by geographic location). Among the many interesting results, figures will be published on national identity, religion, ethnicity, language, health and education and these will be available from late autumn 2013. From early 2014, more detailed results will be published allowing users to see the complex make-up of Scotland's people and how we live today.

Website and social media

We will continue to develop our new NRS website at www.nrscotland.gov.uk, eventually replacing the existing GROS and NAS websites. In parallel with this work, we will begin to make greater use of social media such as Twitter and Facebook to engage with and keep the public and our partners informed about the work of NRS.

Archive Service Accreditation

The Archive Service Accreditation is the new UK-wide scheme defining good practice and agreed standards in order to encourage and support the development of archive services.

Launched in 2013, it enables archive services to review and develop their policies, plans and procedures against a UK-wide benchmark to identify strengths and it provides a framework to improve areas of weakness. NRS helped to develop the scheme and along with the Scottish Council on Archives (SCA), will assess applications for accreditation from archives in Scotland. NRS and SCA will make recommendations to the UK Archive Service Accreditation Committee, which will include representatives from all the home nations. As well as gearing up to enable NRS to undertake this assessment work, the coming year will see NRS reviewing its own policies, plans and procedures with a view to applying for accreditation itself during 2014.

The Public Records (Scotland) Act 2011 (PRSA)

The Public Records (Scotland) Act 2011 came fully into force on 1 January 2013. Public authorities subject to the Act are obliged to submit a Records Management Plan (RMP) to the Keeper of the Records of Scotland for his agreement. NRS has published a rolling timetable indicating when named authorities will be invited to submit their RMP and we anticipate a busy year assessing these as they come in, as well as continuing to meet with individual authorities to discuss their proposals and engage with them over any particular concerns. We are already planning further surgeries and a

Anniversary of outbreak World War I. An example of a formal witnessed will, written and signed by the soldier on Army Form B.243.



Development of the NRS website will continue.



conference based around the Act in the autumn of 2013. The PRSA is also stimulating the activities of NRS government clients and we anticipate an increase in the number of records being received from these bodies in the future.

Anniversaries and Events in 2014

NRS is looking ahead to the various anniversaries and events due in 2014, including the anniversary of the outbreak of World War I, Homecoming, the Ryder Cup and the Commonwealth Games. We are working and planning with other organisations across the heritage sector to ensure that we come together to contribute to these events in a variety of creative and imaginative ways.

Certification of Death (Scotland) Act

In April 2014, a new system of certifying deaths will go live in Scotland. This system will see around 25 per cent of all registered deaths reviewed by a team of consultant-level Medical Reviewers based around the country, as well as a range of improvements to current death registration procedures. NRS is working with partners in SG Health, Healthcare Improvement Scotland, the funeral industry and other stakeholders on a broad programme of implementation leading up to go-live.

We continue to engage with many large-scale policy developments, including the evolving Marriage and Civil Partnership Bill and implementation of the Certification of Death (Scotland) Act. Registration provisions in the Bill will, if passed, create two categories of marriage celebrant – civil and religious/belief; remove current licensing of approved places for marriage; and establish robust conditions under which celebrants can solemnise marriages, and their bodies apply for celebrants to be nominated. These provisions will improve the efficiency and integrity of the marriage system in Scotland, as well as the viability of our thriving marriage tourism industry.

NRS holds records spanning the 12th to the 21st centuries.



We administer the registration of life events such as births, deaths, marriages, civil partnerships, divorces and adoptions.



How we serve the public and support government

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

National Records of Scotland holds records spanning the 12th to the 21st centuries. We are the repository for the public and legal records of Scotland as well as many local and private archives, in paper and digital formats.

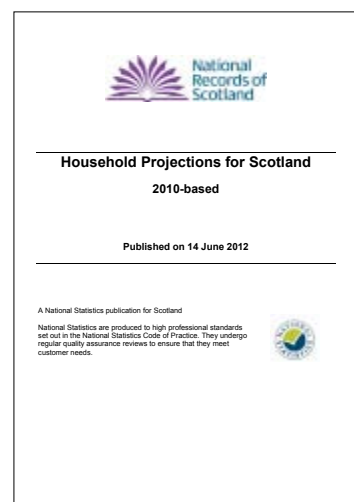
We administer the registration of life events such as births, deaths, marriages, civil partnerships, divorces and adoptions. We are also responsible for the statutes relating to the formalities of marriage and the conduct of civil marriage.

We take the Census of Scotland's population every 10 years and prepare and publish demographic and other statistics for central and local government, for medical research and for the private sector.

Our archive and conservation staff are mentors for newly qualified colleagues undertaking the Archives and Records Association (ARA) Registration Scheme.



NRS statisticians produce work in compliance with the UK Statistics Authority's Code of Practice for Official Statistics.



How what we do develops expertise

NRS employs a variety of specialist staff including archivists, conservators, statisticians and researchers.

NRS has a long history of supporting academic research and has strong relations with Scottish universities.

The Keeper of the Records of Scotland is head of the archive and records management profession in Scotland. NRS develops expertise in these areas through close relations with archive courses at Glasgow and Dundee Universities.

Our archive and conservation staff are mentors for newly qualified colleagues undertaking the Archives and Records Association (ARA) Registration Scheme. NRS is also a registered conservation training office.

NRS also has strong national and international links within the archives, conservation and records management communities, sharing expertise and contributing to the work of international bodies such as the International Council on Archives and the European Archives Group.

We exchange and share our specialist expertise with other national statistical agencies worldwide. NRS contributes to the International Census Forum, United Nations Economic Commission for Europe Group of Experts on Population and Housing

Censuses and dedicated topic specific working sub-groups on the future of large-scale national surveys.

Statisticians are members of the Scottish Government Statistical Group and the UK Government Statistical Service and participate in cross organisational activity in order to improve statistical techniques and outputs across organisations. Statisticians produce work in compliance with the UK Statistics Authority's Code of Practice for Official Statistics. We are assessed against the code in order to maintain high standards and the ability to publish 'National Statistics' and to use the National Statistics logo on NRS's statistical publications.

NRS provides training for registrars through a programme of supported distance learning, including preparation for the Certificate of Proficiency in the Law and Practice of Registration in Scotland, the registration qualification. The qualification is recognised by the Association of Registrars of Scotland (ARoS), the Convention of Scottish Local Authorities (COSLA) and NRS as the professional qualification for registration staff. We are involved in the Certificate Exam Board, set and mark exam papers each year, and participate in wider training activities such as the trainers' forum and website.

Audrey Robertson, accompanied by 11 children of Census staff, making up the latest estimate of the total population of Scotland from the first release of Census results (5,295,000), outside General Register House, Princes Street on 17 December 2012.



Photography: Maverick Photography

Babies' names (2012-based data)

- Jack remains the most popular first forename for baby boys. Lewis stays in second place, and Riley has risen 11 places to third.
- For the eighth year, Sophie is the most popular first forename for baby girls. Emily has climbed four places to second, and Lily has fallen from second to seventh.
- In total, 3,157 different boys' first forenames and 4,222 different girls' first forenames were registered in the first 11 months of the year.

Review of the year

Population statistics for Scotland

Publications

NRS publishes a wealth of statistical information and data about the people of Scotland. We publish statistics on Population Estimates and Projections, Migration, Vital Events (Births, Deaths and Marriages), Life Expectancy and Households. Information from these publications are available on the [NRS website](#).

The main results from these publications are also compiled and released in our statistical annual report: [Scotland's Population 2011: The Registrar General's Annual Review of Demographic Trends](#)

We are also responsible for the delivery of Scotland's Census.

Scotland's Census

The first release of results from the 2011 Census took place on 17 December 2012.

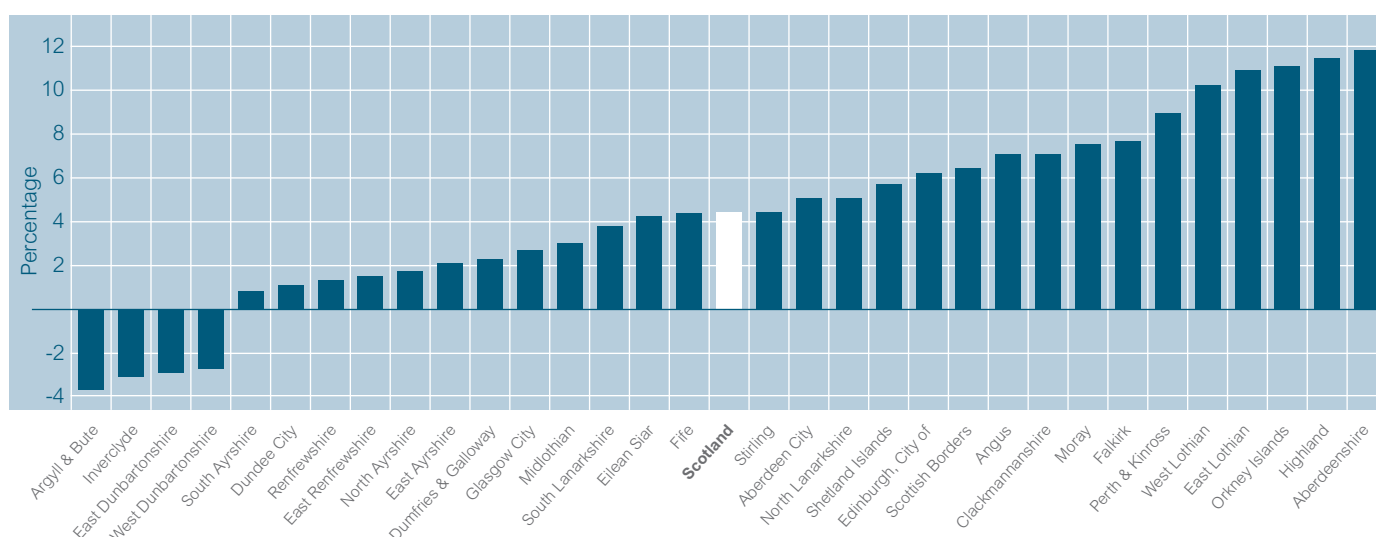
A subsequent release took place on 21 March 2013.

The results released confirmed that Scotland's population is now at its highest ever level at 5,295,000. The results also showed that:

- Scotland's population is ageing; the 2011 Census was the first ever where the number of people aged 65 and over was higher than the number aged under 15.
- There were more women (2,728,000 or 51.5 per cent) than men (2,567,400 or 48.5 per cent) in Scotland. This was the case for all council areas except for Shetland Islands.
- Since the 2001 Census, the population has increased by 233,000 (5 per cent). This represents the fastest growth rate between two censuses in the last century.
- For the first time ever, there were more single person households than any other household size.
- The population per square kilometre ranged from nine in Eilean Siar and Highland to 3,395 in Glasgow.

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

The percentage change in council area populations between 2001 and 2011 can be seen here.



Beyond 2011 – The future of Census statistics

The system for providing population and socio-demographic statistics for the UK has, like many other countries, been built around a Census of the whole population. A programme in Scotland has been established to research and propose suitable methods for producing population and socio-demographic information in the future, whether via further full Censuses or otherwise. In 2012-13, we have been undertaking a programme of research and consultation with users and will continue to do so. Further information on Beyond 2011 can be found on the [NRS website](#).

Statistical planning

Meeting users' needs is fundamental to our work. In line with National Statistics standards, we publish a 'Demography Statistics Plan' annually. This plan is written with users' needs in mind and signed off after being reviewed by our main statistical user group, the [Population & Migration Statistics](#) (PAMS) committee. The 2012-13 Statistics Plan is available on the [NRS website](#).

Data Sharing and Linking Service (DSLS)

Following consultation in 2012 on the aims, benefits and challenges to data linkage, a new Scotland-wide data sharing service is being established. Operating within the new Scottish Government Data Linkage Framework, NRS is collaborating with Scottish Government and NHS National Services Scotland to develop the Data Sharing and Linking Service (DSLS).

Further information on the Data Sharing and Linking Service (DSLS) is available on the [NRS website](#).

30,528 customers were welcomed to the ScotlandsPeople Centre and the Historical Search Room: Adam Dome search room.



Our major exhibition was 'Special Delivery: the William Wallace Letters', seen by over 34,000 visitors.



How the public access our records

Genealogical and historical research

NRS welcomed 30,528 visitors to the ScotlandsPeople Centre and the Historical Search Room. In addition, more than 1,600,000 visitors used the ScotlandsPeople genealogy website (www.scotlandspeople.gov.uk) which celebrated its tenth anniversary in 2012.

During the year we added the digital images of wills and testaments from 1902 to 1925 and the 1905 and 1915 valuation rolls to the ScotlandsPeople service.

We extended the ScotlandsPeople network to local family history centres located around Scotland. The centres at the Mitchell Library in Glasgow and the Burns Monument Centre in Kilmarnock were joined in October 2012 by the Heritage Hub at Hawick. We plan to extend the network further during 2013-14.

Extract services produced 52,407 extracts of births, deaths and marriage certificates. Just over half of these certificates were for orders from the ScotlandsPeople website.

Education services

Throughout the year, we have been updating our education website, www.scottisharchivesforschools.org. We created a new 'Online Resources' section to provide teachers and learners of all ages with access to digital content from NRS at different levels to support Curriculum for Excellence, National Qualifications and cross-curricular opportunities.

We launched three topics: Suffragettes, Letters and Diaries, and The Great War.

The NRS Schools Programme successfully delivered 61 events, 44 workshops and 17 web conferences via Glow Meet (Scotland's national intranet for schools), to 1,452 pupils ranging from P3-S6. The most popular topic requested this year was the Scottish Wars of Independence and we will continue to add to our range of topics in 2013-14.

Exhibitions and outreach

Our major exhibition was 'Special Delivery: the William Wallace Letters', seen by over 34,000 visitors to the Scottish Parliament between 10 August and 8 September 2012. The exhibition displayed the only two original letters with a direct link to William Wallace. It was created with the co-operation of The National Archives, Kew, and Archiv der Hansestadt Lübeck, who loaned the two featured documents (Lübeck letter pictured above), in partnership with the Parliament. We helped organise public lectures and a debate about Wallace's historical importance as well as working with the Education Team at the Scottish Parliament to provide eight schools workshops and an opportunity for S3 pupils to make a film of the exhibition that went on Glow, a National Glow Meet and a training session for teachers.

NRS commissioned two Dovecot Studios tapestries featuring text from the original Wallace documents to act as permanent mementos of the event.



Susan Newman holds the letter her great-uncle Robert Douglas Norman wrote before his fatal embarkation on the RMS Titanic in April 1912, and a family photograph.



Photography: Rob McDougall

NRS commissioned two Dovecot Studios tapestries featuring text from the original letters to act as permanent mementos of the event.

In April 2012, we marked the centenary of the sinking of the RMS Titanic by displaying a newly-discovered letter written by a Scot, Robert Douglas Norman, just before he embarked. We identified the letter while preparing further wills for online access. His great-niece visited NRS as a result of media coverage of the discovery.

Other exhibitions included:

- During the Queen's Diamond Jubilee celebrations and until September 2012, we displayed an exhibition featuring official records of the Queen's role in Scotland, as well as more personal documents.
- An exhibition 'Armistice Day' to highlight access to the newly-digitised images of wills, highlighted the wills of two soldiers who died in the First World War.
- Our seasonal display of documents and registers for 'Christmases Past' traced how Scots celebrated Christmas, or not, over the centuries.
- In 'Across the Divide: A J Balfour & Keir Hardie in 1905' (February to April 2013) we used the newly-released 1905 valuation rolls as a starting point to explore the contrasting worlds of the Conservative Prime Minister and the radical MP.

During the year we participated in a number of events. These included:

- 'The 50+ Show' at the Scottish Exhibition and Conference Centre in Glasgow. The whole event attracted around 7,800 visitors over two days.
- NRS staff contributed talks to the event 'Previously...Scotland's History Festival' during November 2013. All events were sold out.
- The 'Who Do You Think You Are?' family history show in London which we partnered with VisitScotland attracted around 14,000 visitors.

On Doors Open Day (22 September), 1,312 visitors toured General Register House (GRH) and learned about a wide range of NRS services. We continue to hold family history events for people new to genealogy including sessions about the records available in the ScotlandsPeople Centre. We also delivered talks and workshops to 755 people, including further and higher education classes and 100 architectural historians who were given a tour of GRH.

The Dunbroch tartan for the Disney-Pixar film 'Brave'.



The Great Seal of Scotland is applied to letters patent to Acts of the Scottish Parliament by skilled Conservation staff at National Records of Scotland.



Scottish Register of Tartans

The number of tartans registered by the Scottish Register of Tartans remained steady at just over 200 in 2012-13. The website for the Scottish Register of Tartans exceeded more than 1 million visits for the first time and we launched a Facebook page to promote the register.

Notable registrations this year included the Dunbroch tartan for the Disney-Pixar film 'Brave' (pictured above) and the Battle of Bannockburn tartan for the National Trust for Scotland's Bannockburn Centre which is currently being redeveloped and will be re-opened in time for the 700th anniversary of the Battle on 24 June 2014.

ScotlandsPlaces

NRS added historical tax rolls and Ordnance Survey name books as part of a new subscription service to the ScotlandsPlaces website. The website is a joint venture with The Royal Commission on the Ancient and Historical Monuments of Scotland and The National Library of Scotland. Visitors can search records held by the partners using geographic locations.

Digitisation

This year saw the completion of the digitisation of the Register of Sasines (record of land transfers), in partnership with Registers of Scotland. During the project 115,000 volumes were digitised to produce over 27 million images for all the counties of Scotland during the period 1869-1989. Visitors can access the Sasine records in our Legal Search Room.

Public Records (Scotland) Act 2011

In January 2013 the Keeper sent out the first invitation to submit a plan and a timetable of invitations for the first six months was published and will be updated regularly. Invitations to the remaining 270 named authorities will follow over the next five years.

During the year, we continued to engage with stakeholders in developing a model records management plan and statutory guidance. In 2011, NRS had set up a Stakeholder Forum, made up of a wide cross-section of professional experts, drawn from various public authorities, to help draft these. The results were submitted to public consultation between 27 Feb-18 May 2012 and finalised texts were published on the NRS website in August 2012. The PRSA Assessment Team will keep the guidance document updated.

Archive papers from the Scottish Meteorological Society contain the signature and image of US President, Abraham Lincoln.

Court and Legal records continued to make up the majority of new records taken into NRS, accounting for some 57 per cent in 2012-13.



Release of files under freedom of information

On 3 January 2013, NRS made available around 400 government files which would previously have remained closed for 30 years. This forms part of the process of releasing files up to 15 years earlier following Scottish Ministers' decision to reduce restrictions on 'historical' records.

The files released mostly date from 1997. They cover topics as diverse as the E.coli outbreak in Lanarkshire, vetting of adults working with children, the development of the 'Higher Still' exams, and the setting up of the University of the Highlands and Islands. Files from earlier years include those about nuclear power developments in Scotland and the Papal visit in 1982.

Cataloguing highlights

Notable acquisitions of government records included:

- An important set of photographs showing the development of the naval dockyard at Rosyth at the time of the First World War (MW12). These include images of the Royal Navy fleet both in dry dock and at anchor in the Firth of Forth.
- A scrapbook about Alexander Buchan, Secretary of the Scottish Meteorological Society 1860-1907 (MET1/7/1). The volume contains a signed carte de visite of US President, Abraham Lincoln, and letters from Charles Darwin and Robert Louis Stevenson.

Court and Legal records continued to make up the majority of new records taken into NRS, accounting for some 57 per cent in 2012-13.

- The largest volume of transmissions come from the legal sector. This year we received a total of 269 metres of records from Crown Office and Procurator Fiscals' Service, the Court of Session and the High Court of Justiciary, representing business for 2001.
- In summer 2012, the annual sheriff court appraisal programme provided records from five Sheriff Courts. These were Peebles, Stonehaven, Haddington, Edinburgh, and Glasgow, Europe's busiest court.

Church records, mostly from congregations of the Church of Scotland, continue to arrive regularly at NRS. They are popular records with our customers and we catalogue them as quickly as we can for release. Amongst the range of records received in the past year were minutes and discipline records from the early 18th century for Urquhart Parish Church, Inverness-shire, and a substantial quantity of 19th and 20th century records from various congregations from across Scotland. Cataloguing work continues to add important insights into the understanding of our past. Discoveries this year include:

- A group of letters from three brothers of the McCracken family who all served in France during World War I. Unusually, all survived the War, although sadly in the case of one brother, only to be killed in action during World War II. (ref: GD533/3/3-5).

Haddington burgh charter issued by King Robert I, 6 Dec 1318. Transmitted to John Gray Centre, Haddington.



Linda Ramsay and Saho Arakawa helping children take part in fun scientific experiments at the Heritage Smells! event held at the British Library on 23 March 2013.



- A High Court case of 1796 involving the trial and conviction of a group of men and women from Stonehaven for rioting in order to steal grain (ref: JC26/1796/14 and JC11/42). This case reflects the social unrest which characterised Scotland in the 1790s and many other records in the High Court series reflect the tensions of that era.

Transfer of records to East Lothian

NRS encourages the development of local authority archives in Scotland. In May 2012, we inspected a new archive facility at the John Gray Centre in Haddington, built by East Lothian Council with Heritage Lottery Funding. We returned council records deposited with NRS for safekeeping in the 1970s. This was our largest ever single transfer of records to a local archive and included the historic records of the royal burghs of Dunbar, Haddington and North Berwick, together with much material for the pre-1975 county and district councils.

The National Register of Archives for Scotland (NRAS)

The NRAS is responsible for compiling a record of papers of historical significance in private hands in Scotland and acts as a clearing house for information about them. Two major archive collections were surveyed during the year: the archives of the Haig family of Bemersyde and the archives of the Stevenson Hamilton family of Fairholm.

A major part of the NRAS' remit is to provide owners of historical papers with advice on preservation, storage and cataloguing issues. Among those receiving advice this year were, the Royal Botanic Garden, the Ben Line, Traquair House, Maggie's Centres, the Royal Caledonian Curling Club, the Duke of Edinburgh Awards, Inveraray Castle, and the Buccleuch estates.

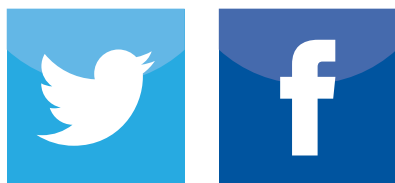
Heritage Smells!

'Heritage Smells!', is a collaborative research project exploring volatile organic compound (VOC) analysis in conservation. It aims to understand in more detail the chemical processes that occur as modern materials age in archive and museum environments and how an object's VOC emissions can be used to understand and care for it.

Heritage Smells! covers a wide range of materials, including paper and books, objects previously treated with pesticides, and more modern materials.

The project involves researchers from University College London, University of Strathclyde, NRS, the British Library, the British Museum (BM) and others including English Heritage. NRS staff were part of the outreach team at the BM on 23 March 2013 when the general public, especially children, could ask questions and undertake fun scientific experiments related to the project. It was hugely successful and we hope to host a similar day in NRS.

NRS will begin to make greater use of social media such as Twitter and Facebook.



A specially-recorded CD of orchestral music ('Astar').



Digital preservation

We have published guidance on elements of handling electronic records which include advice on the standards and requirements for starting, improving and completing electronic records management, including email. The guidance, written with a public sector audience in mind, has been widely promoted via social media.

We also collaborated with the Scottish Council on Archives in a Digital Preservation event in November 2012 for the archive sector in Scotland. Analysis of the feedback has helped to identify areas where we can link with the community to develop support further.

Registration

In addition to delivering the statutory responsibilities (overseeing the registration and examination of almost 150,000 births, marriages and deaths and ensuring the smooth operation of the registration service in Scotland), we have worked on a number of successful projects through the year.

In collaboration with the Royal Scottish National Orchestra, we have supported the distribution of a specially-recorded CD of orchestral music ('Astar') to around three-quarters of families registering the birth of a child in Scotland so far. The CD has been designed to promote bonding between parents and children, make daily routines more fun and spark an interest in music that will last a lifetime. By the end of September 2013 every family registering a birth will have been offered one.

We have introduced improvements to:

- the registration software system;
- the Scottish Family History System for registrars; and
- the system to support examination of the registers.

Automating death data sharing between our electronic registration system and the Department for Work and Pensions' Tell Us Once system will also save time and increase efficiency for participating councils, as well as delivering considerable benefits to users of the service.

We have also engaged with many large-scale policy developments, including the evolving Marriage and Civil Partnership Bill and implementation of the Certification of Death (Scotland) Act.

NRS objectives and performance

During 2012-13 National Records of Scotland was guided by the vision and key themes published in our Strategy 2012-22 which can be found on the [NRS website](#).

We developed a corporate plan setting out in detail how we would work towards achieving the objectives set out in the longer term strategic plan as far as 2015. Business Improvement Objectives (BIO) were identified to focus on the key programmes driving the business forward through improvement or innovation to 2015.

The table which follows details the outturn of the BIO as at end of March 2013.

NRS Strategic Objective 1. To preserve the nation's records in our care, ensuring that the security of the information they contain is maintained, and to promote the preservation of records held elsewhere.			
Business Improvement Objective	NRS Strategic Priority	Scottish Government National Outcome	Status
NRS participates with the National Archive to develop a UK Archives Accreditation Standard.	All of Scotland's national archive collection is housed securely in appropriate environmental conditions. NRS promotes and supports the preservation of archival heritage across Scotland.	We take pride in a strong, fair and inclusive national identity. Our public services are high quality, continually improving, efficient and responsive to local people's needs.	Achieved to date.
Ensure that records in all formats are appropriately stored and preserved.			Delayed.

NRS Strategic Objective 2. To promote improvements in the management of records including digital formats, by the public sector in Scotland in order to support good governance, accountability and efficient use of public resources.

Business Improvement Objective	NRS Strategic Priority	Scottish Government National Outcome	Status
Implementation of the Public Records (Scotland) Act 2011. Development of agreed model records management plan and guidance, and publish for use by Scottish public authorities by January 2013, with ongoing review of submitted plans.	The number of public bodies failing to comply with the Public Records (Scotland) Act 2011 reduces each year.	We realise our full economic potential with more and better employment opportunities for our people. We take pride in a strong, fair and inclusive national identity.	Achieved.
Implementation of the Public Records (Scotland) Act 2011. Internal preparation and development of a model records management plan for NRS by December 2012, and submission to the Keeper for approval.	NRS own records management procedures are recognised as an exemplar for others.		Partly achieved.

NRS Strategic Objective 3. To produce statistics and gather and record historical and contemporary information about Scotland and its population.

Business Improvement Objective	NRS Strategic Priority	Scottish Government National Outcome	Status
Dissemination of 2011 Census Outputs from late autumn 2012 and throughout 2013.	NRS provides demographic analyses to support policy making in the public sector.	<p>We realise our full economic potential with more and better employment opportunities for our people.</p> <p>We take pride in a strong, fair and inclusive national identity.</p> <p>We live longer, healthier lives.</p> <p>Our public services are high quality, continually improving, efficient and responsive to local people's needs.</p>	Achieved.
Investigate the feasibility of alternative types of Census and inform a ministerial decision to be taken in 2014.	We have successfully conducted a decennial information gathering exercise in 2021, as directed by Scottish Ministers in 2014.		Achieved to date.

NRS Strategic Objective 4. To promote and extend the use of our records, data, expertise and statistical information, raising awareness, understanding and enjoyment of Scotland past, present and future.

Business Improvement Objective	NRS Strategic Priority	Scottish Government National Outcome	Status
Creation of a National Data Sharing and Linkage Service by end of 2013 to improve the sharing of data for statistics and research purposes across government.	We have, in partnership with others, established a national data linkage service which facilitates and promotes research and production of statistics about people in Scotland, to help inform policies to make life better.	<p>We live in a Scotland that is the most attractive place for doing business in Europe.</p> <p>We realise our full economic potential with more and better employment opportunities for our people.</p>	On target.
Improving the searching, dissemination and presentation of information to customers, whether onsite or online, by providing 21st Century Public Services.	Access to the information held by NRS has been extended and improved and users are able to find the information they need quickly and easily, whether onsite or online. NRS continues to be a world leader in genealogy, providing a single, joined-up service across Scotland which can be accessed online, is self-funding, and uses a variety of information sources to enrich the experience of users.	<p>Our young people are successful learners, confident individuals, effective contributors and responsible citizens.</p> <p>We take pride in a strong, fair and inclusive national identity.</p> <p>Our public services are high quality, continually improving, efficient and responsive to local people's needs.</p>	Planning has been progressing throughout the year.
Development of a marketing and communication strategy to enable NRS to focus its resources to improve the delivery of products and services to customers in line with its strategic aim and objectives.	<p>Improvements to NRS services are properly marketed and promoted.</p> <p>Users of the NRS websites and its satellite websites are able to access the information they require quickly and easily, maximising the use made of NRS outputs.</p>		Planning has been progressing throughout the year.

NRS Strategic Objective 5. To improve effectiveness and efficiency of our organisation.

Business Improvement Objective	NRS Strategic Priority	Scottish Government National Outcome	Status
Implementation of an ICT solution for NRS.	NRS is using technology which supports its business and helps to deliver effective and innovative services to them.	<p>We realise our full economic potential with more and better employment opportunities for our people.</p> <p>We reduce the local and global environmental impact of our consumption and production.</p> <p>Our public services are high quality, continually improving, efficient and responsive to local people's needs.</p>	On target.

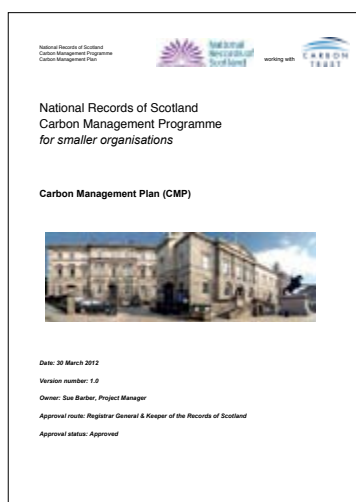
Additionally, we identified business objectives specifically for 2012-13 which set out the work identified by Divisions and Branches as key to supporting the functions and purpose of NRS. This year we identified 139 objectives. Performance is summarised in the chart which follows:

NRS Business Objectives end-year position.

On Target or Achieved		Partly Achieved or Achieved to Date		Put on Hold or Delayed		Total Number	
111	80%	22	16%	6	4%	139	100%

As part of our Carbon Management Plan, we are working to reduce carbon emissions by 20 per cent by April 2016.

Carbon emissions as a result of business travel in 2012-13 were 7,926 tonnes less than our 2010-11 baseline year. A reduction of 11.8 per cent.



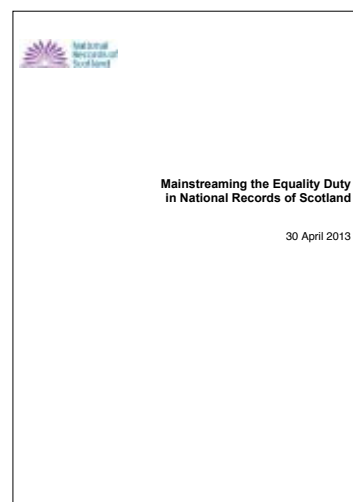
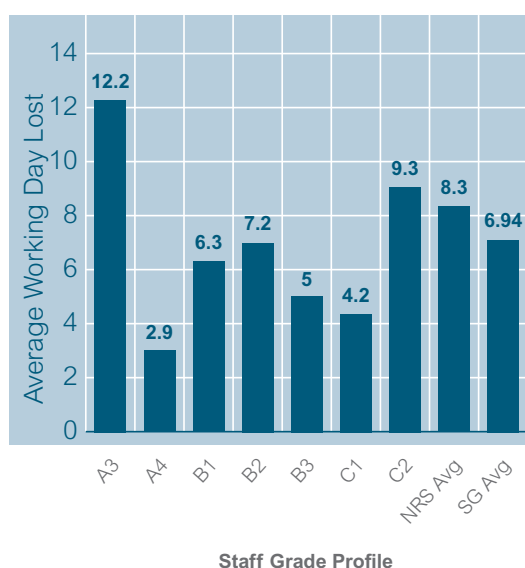
Sustainable development and environmental policy

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

- **Reducing consumption of energy, water, paper and other resources** – We continue to monitor energy and water consumption and have set reduction targets to measure our performance. We have upgraded some of our older plant and equipment with more energy efficient equipment. Our success in 2011-12 (The NRS Annual Report and Accounts to end March 2012 reported a reduction of 15.3 per cent in energy consumption) was difficult to sustain in 2012-13. There were contributing factors:
 1. The poor weather meant our heating was on longer throughout the summer and had to be switched back on earlier in the autumn;
 2. We now have additional tenants, and people, in Ladywell House which has increased resource usage in that building; and
 3. The air handling plant at West Register House had to be upgraded and made fully operational in order to provide the right climate to protect the archival records stored there for future generations. Over the period 2011-13, NRS has reduced carbon emissions by 5.6 per cent, against a target of 8 per cent.
- **Waste management** – We have continued to focus on our recycling initiatives to reduce the amount of waste we produce by re-using and recycling products and materials. All redundant IT kit was recycled using a WEEE (waste electronic and electrical equipment) approved company. A total of 97.3 per cent of our waste was recycled this year. We undertook a major disposal of IT equipment and a project to empty our repository at Station Road, where all equipment and materials were recycled.
- **Refurbishment** – Over the final few months of the 2012-13 financial year, we have upgraded the old air handling units at Thomas Thomson House and West Register House, to more energy efficient units, which will assist in our targets for 2013-14.
- **Business travel** – Carbon emissions as a result of business travel in 2012-13 were 7,926 tonnes less than our 2010-11 baseline year. A reduction of 11.8 per cent. We updated our Business Travel policy guidelines to continue to promote alternatives to travel (telephone and video conferencing) and to encourage staff to use local bus and rail tickets. Our end of life office vehicles have also been replaced by more fuel and CO₂ efficient ones to support our emissions reductions target.
- **Sustainable procurement** – We continue, where feasible, to buy goods and services which are derived from natural and sustainable sources and which can be manufactured, delivered and disposed of in an environmentally responsible way.

Comparison of SG, NRS and Grade Profile for Sick Absence.

We prepared for publication of the Mainstreaming Equality Report.



Our people related performance

Our staff

Sickness absence

NRS follows the SG Attendance Management Policy and we work with SG Human Resources to identify and improve areas of concern.

The table details the average working days lost by grade and provides a comparison of the NRS average with the Scottish Government (SG) average.

The average days lost include long- and short-term absences. For example the absences for our A3 staff comprised long-term absences at 46.2 per cent and short-term at 53.8 per cent.

Employee survey 2012

In September 2012, NRS staff were asked to participate in the annual employee survey. This was part of a Civil Service-wide survey which measured the extent of employee engagement within the organisation. A total of 72 per cent of staff participated and we achieved an overall engagement score of 52 per cent. A copy of the NRS results can be found on the [NRS website](#).

Public sector equality duty

As a relatively new Department we continued to work on bringing our policies and processes together, including equality. During the year we prepared for publication of the NRS Mainstreaming Equality Report which demonstrates how NRS embeds equality, not only in our functions, but in the service we provide.

We also pulled together the NRS Equality Outcomes which we consider will enable us to better perform the General Equality Duty, meaning that in the exercise of our functions we will have due regard to the need to:

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

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

National Records of Scotland Accounts for the Year Ended 31 March 2013

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FOREWORD TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

Basis of Accounts

1. In accordance with the Accounts Direction issued by Scottish Ministers under Section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual, which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The Accounts Direction is reproduced on page 64 of these accounts.

Departmental Accounting Boundary

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

Ministers and Senior Officers

3. The Scottish Government Minister responsible for NRS during the period 1 April 2012 to 31 March 2013 was the Cabinet Secretary for Culture and External Affairs, Fiona Hyslop MSP.
4. Following the retirement of Mr George MacKenzie the roles of Registrar General for Scotland and Keeper of the Records (Registrar General/Keeper) were undertaken by Ms Audrey Robertson until the appointment of Mr Tim Ellis, Chief Executive.

5. Senior Management for NRS during the year was as follows:

Mr Tim Ellis
Chief Executive (from 4 February 2013)

Mr George MacKenzie
Keeper of the Records and Registrar General for Scotland (until 28 September 2012)

Ms Audrey Robertson
Head of Corporate Services and Accountable Officer (and acting Registrar General/Keeper from 1 October 2012 to 1 February 2013)

Mr Peter Scrimgeour
Head of Census (until 7 August 2012)

Mrs Penni Rocks
Head of Census Operations

Mrs Amy Wilson
Head of Census Statistics (from 23 May 2012)

Mrs Kirsty MacLachlan
Head of Demography

Mr Rod Burns
Head of Registration

Ms Anne Slater
Head of Public Services (from 25 June 2012)

Mrs Laura Mitchell
Head of Records and Archives
(from 2 July 2012)

Review of Financial Results

6. The results for the year are reported in the attached accounts. They record a Net Resource Outturn of £20,423K, compared to the Resource Budget of £20,654K. This underspend was relatively small (1.1 per cent) and arose mainly from underspends within staff costs (£171K) and supplies and services (£485K) and increased income (£269K). These anticipated underspends were offset through bringing forward planned maintenance works within our estate.

7. Capital expenditure was £1,899K compared with a budget of £1,950K. This small underspend (£51K) mainly arose through some slippage within our ICT projects.

Equality

8. NRS is an equal opportunities employer. We adhere to the Scottish Government Diversity Policy which states that all staff should be treated equally irrespective of sex, marital status, age, race, ethnic origin, sexual orientation, disability, religion or belief, working pattern, gender identity, caring responsibility or trade union membership. We employ and promote people on the basis of their merit, skills, aptitudes and attitude.
9. The Cabinet Office is responsible for developing, formulating and promulgating equal opportunities for the civil service as a whole, but operational responsibility rests with individual departments. The Scottish Government Equality Unit is responsible for developing and promulgating equal opportunities policies and acting as the inter-departmental liaison with the Cabinet Office.
10. The Equality Act 2010 introduced a new public sector equality duty. The Act sets out a 'general duty' which requires us to advance equality of opportunity across our functions. In employment matters we do this through the use of diversity monitoring. We maintain statistics such as the number of staff who consider themselves to have a disability. For the year ending 31 March 2013, 24 people had self-declared a disability (2011-12: 26).
11. In addition to the general duty, Scottish Ministers introduced 'specific duties' which set out the steps that Scottish authorities should take to meet the general duty. These specific duties came into effect on 27 May 2012 and in response we have produced a Mainstreaming Equality Report. Work now continues on bringing our policies and processes together, including equality, which

is reflected in some of the actions listed in our Equality Outcomes.

Payments of Suppliers

12. As part of its plan for supporting economic recovery in Scotland, the First Minister announced on 9 October 2008 that the Scottish Government would aspire to a 10 day target for paying bills to businesses in Scotland. This aspiration is above and beyond our contractual commitment to pay suppliers within 30 days. Paying supplier bills within ten working days is seen as a key objective, and an important expression of the Scottish Government's commitment to supporting business through the current economic downturn. Improvements in methodology have been introduced and continue to be introduced to improve payment performance.
13. In line with Scottish Government policy, NRS requires that all suppliers' invoices not in dispute are paid within this 10 day target. NRS aims to pay 100 per cent of invoices, including disputed invoices once the dispute has been settled, within this 10 day target. During the year ended 31 March 2013, NRS paid 95 per cent of all invoices within the terms of its payment policy of 10 days (2011-12: 95 per cent).

Independent Auditors

14. The accounts of NRS are audited by auditors appointed by the Auditor General for Scotland. PricewaterhouseCoopers LLP were appointed as NRS external auditors for the period 1 April 2011 to 31 March 2016.
15. The external auditors were remunerated in the sum of £60,000 in respect of statutory audit services for the financial year 2012-13. The fees payable to the external auditors are shown in the Statement of Comprehensive Expenditure and in note 3 to the accounts. The external auditors did not provide any non-audit services.

Disclosure of Information to Auditors

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



Audrey Robertson

Accountable Officer

30 September 2013

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

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

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

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

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

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

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

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

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

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Purpose of the Governance Statement

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

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of our policies, aims and objectives; to evaluate the likelihood of those risks being realised, and the impact should they be realised; and to manage

them efficiently, effectively and economically. This process is integral to our business planning and progress monitoring regime and accords with the Scottish Public Finance Manual (SPFM). The supervision of the regime is undertaken by the executive managers of business areas within our department.

Governance of NRS

NRS is a Non Ministerial Department (NMD). This means that we sit slightly to the side of the Scottish Government. We are headed by the Chief Executive who fulfils the roles of Registrar General (RG) and Keeper of the Records of Scotland (Keeper) and not by a Minister. The RG and Keeper are both statutory office-holders with specific responsibilities set out in legislation. The NRS budget is set by Parliament and the Chief Executive reports to Scottish Ministers. NRS sits within the portfolio of the Cabinet Secretary for Culture and External Affairs. However, neither the Parliament nor Ministers can interfere in matters relating to the delivery of the RG/Keeper's statutory obligations.

From April 2012 to 28 September 2012, Mr George MacKenzie held the posts of RG/Keeper and reported to the Director General for Strategy and External Affairs in the Scottish Government. Following his departure, I fulfilled the role on a temporary basis from 1 October 2012 to 1 February 2013, before the appointment of Mr Tim Ellis who took up the role on 4 February 2013.

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

The Management Board (MB) advises the Chief Executive on the operations of NRS – particularly the strategic direction of the organisation – excluding financial accountability questions (on which the source of advice is the Audit and Risk Committee). The Board comprises the Chief Executive (Chair), the Division Heads and 3 Non-Executive Directors (NXDs) – the members of the Board are set out within the Remuneration Report (see page 35). The Management Board meets quarterly.

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

The Audit and Risk Committee comprises 6 non-executives, along with the Chair:

Mr Ian Doig (Chair)
Mr John Aldridge
Ms Susan Burney
Mr Andrew Fraser
Ms Mandy Gallacher
Mr Darryl Mead
Mr Gordon Shipley

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

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

Planning and Risk Management Arrangements

The NRS 2012-2022 Strategic Plan identified 5 strategic objectives, while the Corporate Plan 2012-15 sets out the steps to be taken in delivering on these objectives.

The Plan includes 8 Business Improvement Objectives (BIOs), and a series of Branch Objectives. These are monitored on a quarterly basis by Division Management Teams, Senior Management Team and Audit and Risk Committee and Management Board. All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM. Risk management is a fundamental part of our office-wide programme management regime and is also applied in key stand-alone projects such as the 2011 Census Outputs Programme.

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

NRS has a common office-wide Performance Management regime. This regime identifies and monitors risks at three levels: strategic, business improvement objectives and operational objectives as set out in Branch Plans. In all cases risks are given a score based on likelihood, impact and time horizon. This score is used to prioritise action on the risk.

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

Risks identified at a strategic level relating to specific Divisions are actively monitored by Programme Boards who review the Corporate Risk Register quarterly. Business Improvement Objective Risks are reviewed quarterly by the relevant Programme Board and there is a standard item for its review by SMT included on each quarterly meeting Agenda. The Audit Committee reviews the Strategic Risk Register quarterly and the Operational Risks Registers annually.

Branch plans also contain a risk assessment. This assessment identifies any relevant risks linked to delivery of the objectives and priorities contained in the plan as well as the mitigating actions and risk owner.

Projects and change management programmes include an assessment of risk at the outset and risk management throughout the project or programme.

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

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

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

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

Financial Management

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

Information Security

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

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

All staff employed in NRS are required to undergo pre-employment checks. The minimum checks carried out are to the Baseline Personnel Security Standard (BPSS) which is outlined in the HMG Security Policy Framework. After taking up duty, all new staff attend a new entrant security/data handling seminar. During the year, 75 new staff received seminars. Existing staff receive quarterly security and data handling bulletins as well as ad-hoc bulletins during the year.

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

Projects/Procurement

It is standard practice in NRS to handle any major initiative as a project.

ICT Amalgamation Project

During the last year work has been progressing on the creation of the NRS Architecture and Infrastructure. Following the merger, the then RG/Keeper decided that NRS should leave the Scottish Government's network and create their own network.

Although it was demonstrated that savings would follow from this decision, it was not possible to quantify these precisely. The decision was made not on price grounds, but on the advantages to be gained from having the control and flexibility running our own network would bring.

Work has been progressing, albeit more slowly than originally envisaged. Since the project started, we have lost two ICT Managers. A Programme Board and appropriate governance is in place and will continue to monitor spend and key activities through the coming year.

Data Linkage

A Data Linkage Steering Group has been set up, chaired by the Scottish Government, incorporating representatives from across the public sector and academia.

A project manager is being recruited to help establish the governance arrangements and develop the business plan for a Data Sharing and Linkage Service. This is a partnership project involving NRS, NHS National Services Scotland Information Services Division and the Office of the Chief Statistician.

Census Outputs

This continues to be a major project for NRS. Census is the most comprehensive survey of population and household information currently carried out. It supports local and national policy making, development and implementation; it ensures more accurate allocation of resources in line with needs across the public sector; it provides useful information for the business sector in designing and developing new products and markets; and it helps Scotland to meet its obligations both within the UK and internationally.

The Data Analysis and Processing phase of Census has proved more challenging than anticipated and this has led to a delay in publishing the first results. It takes time to collect, process and check the data collected in the census and it is important to get the balance right between publishing the results as quickly as possible and ensuring that the quality of the information, upon which key decisions are based, is correct. Users of census data have consistently asked that we concentrate on getting the quality right first time.

To help us during this time, we requested a Gateway Review 0 (Strategic Assessment). The focus of the review was to provide assurance regarding the delivery of planned releases of Census data in December 2012 and throughout 2013. The Review Team found that overall delivery confidence assessment was Amber/Red and made several recommendations which we are following through.

The first release of Scottish Census results, made on 17 December 2012 contained rounded population totals by sex and five year age group for Scotland and population totals for each Local Authority. The results showed the population of Scotland is the highest it has ever been at 5,295,000.

Further releases followed in March 2013 and July 2013, and will continue throughout the rest of 2013 and early 2014.

Review of Effectiveness

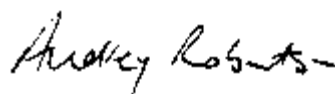
As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

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

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

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

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



Audrey Robertson
Accountable Officer
30 September 2013

REMUNERATION REPORT

1. NRS is a Government Department associated with, but not part of, the Scottish Government. The Registrar General/Keeper and their staff are part of the Scottish Administration under the Scotland Act 1998. The Cabinet Secretary for Culture and External Affairs answers in the Scottish Parliament on matters relating to NRS, advised by the Registrar General/Keeper. The First Minister is responsible for appointing the Registrar General/Keeper and for laying before the Scottish Parliament the Annual Report of the Registrar General. In appointing the Keeper, agreement must be sought from the Lord President. Neither the Cabinet Secretary for Culture and External Affairs, nor the First Minister, receives specific remuneration relating to their responsibilities for NRS.
2. The remuneration for the Registrar General/Keeper was set by the Scottish Government. For other senior officials remuneration was determined by pay arrangements covering the Senior Civil Service and other staff in the Scottish Government and Associated Departments.
3. From 2012-13, a Register of Interests was maintained for Management Board members, where no appointments or significant interests were disclosed. This Register of Interests will be published on our website at the same time as we publish our 2012-13 Annual Report and Accounts.
4. The salary and pension entitlements of our Management Board members, including the Chief Executive and Registrar General/Keeper(s), were as follows:

As at 31 March 2013	Salary	Performance award ⁽³⁾	Real increase in pension at age 60	Total accrued pension at age 60 as at 31 March 2013 and related lump sum	CETV at 31 March 2012	CETV at 31 March 2013	Real increase in CETV ⁽⁴⁾	Benefits- in-Kind
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mr Tim Ellis Chief Executive	10-15	-	0-2.5	15-20 55-60	257	265	6	-
Mr George MacKenzie (Registrar General / Keeper)	45-50	-	2.5-5	40-45 125-130	865	929	70	-
Ms Audrey Robertson Head of Corporate Services	60-65	-	0-2.5	10-15 31-35	172	202	19	-
Mr Peter Scrimgeour Head of Census	15-20	-	0-2.5	0-5 0-5	10	15	4	-
Mrs Penni Rocks Head of Census Operations	60-65	-	0-2.5	10-15 -*	198	227	16	-
Mrs Amy Wilson Head of Census Statistics	30-35	-	0-2.5	5-10 15-20	80	88	3	-
Mrs Kirsty MacLachlan Head of Demography	60-65	-	0-2.5	15-20 50-55	330	363	13	-
Mr Rod Burns Head of Registration	50-55	-	0-2.5	5-10 20-25	96	108	6	-
Ms Anne Slater Head of Public Services	40-45	-	0-2.5	20-25 60-65	299	324	19	-
Mrs Laura Mitchell Head of Records and Archives	45-50	-	0-2.5	15-20 45-50	227	263	24	-
Mr Michael Moss Non-Executive ⁽⁵⁾	0-5	-	-	-	-	-	-	-
Mr Ian Doig Non-Executive ⁽⁵⁾	0-5	-	-	-	-	-	-	-
Mrs Helen Froud Non-Executive ⁽⁵⁾	0-5	-	-	-	-	-	-	-

*Officer in premium pension scheme with no automatic lump sum

(1) The figures within the 2012-13 table above and the median reported at paragraph 6 below are the only parts of the Remuneration Report that are required to be audited by external audit.

(2) Calculations for determining the figures in the above table are produced by DWP on behalf of SG for NRS.

(3) In line with Scottish Government pay policy arrangements, no performance related awards apply for the 2012-13 reporting year.

(4) The actuarial factors used in the calculation of Cash Equivalent Transfer Values (CETVs) were changed during 2010-11, due to changes in demographic assumptions and the move from the Retail Price Index (RPI) to the Consumer Price Index (CPI) as the measure used to uprate Civil Service pensions. The CETVs at 31 March 2012 and 31 March 2013 have been calculated using the new factors. Taking account of inflation, the CETV funded by the employer has decreased in real terms.

(5) During the year Non-Executive Directors earned £225 per Management Board meeting attended.

(6) Effective dates for changes to Senior Management are set out in the 'Foreword to the Accounts' on page 26.

As at 31 March 2012	Salary £'000	Performance award £'000	Real increase in pension at age 60 £'000	Total accrued pension at age 60 as at 31 March 2013 and related lump sum £'000	CETV at 31 March 2011 £'000	CETV at 31 March 2012 £'000	Real increase in CETV £'000	Benefits- in-Kind £'000
Mr Duncan Macniven Registrar General	40-45	-	0-2.5	45-50 145-150	1,139	1,133	-	-
Mr George MacKenzie Keeper (and Registrar General)	75-80	-	5-7.5	35-40 110-115	726	865	113	-
Ms Audrey Robertson Head of Corporate Services	55-60	-	0-2.5	5-10 25-30	147	172	13	-
Mr Peter Scrimgeour Head of Census	45-50	-	0-2.5	30-35 90-95	720	718	-	-
Mrs Kirsty MacLachlan Head of Demography	60-65	-	0-2.5	10-15 40-45	269	307	14	-
Mr Frank Manson Non-Executive	0-5	-	-	-	-	-	-	-
Mr John Graham Non-Executive	0-5	-	-	-	-	-	-	-
Mr Michael Moss Non-Executive	0-5	-	-	-	-	-	-	-
Mr Ian Doig Non-Executive	0-5	-	-	-	-	-	-	-
Mrs Helen Froud Non-Executive	0-5	-	-	-	-	-	-	-

Salary

5. In accordance with the FReM, reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.
6. The banded remuneration of the highest-paid director in NRS in the financial year 2012-13 was £60-65K (2011-12: £75-80K). This was 3.0 times the median remuneration of the workforce, which was £20-25K (2011-12: 3.5 times, median £20-25K).
7. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Civil Service Pensions

8. Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in Pensions Increase Legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).
9. Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition

a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with pensions increase legislation. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

10. The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).
11. The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium classic plus and 65 for members of nuvos.
12. Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

Cash Equivalent Transfer Values

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

Real increase in CETV

15. This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market factors for the start and end of the period.

Benefits-in-kind

16. The monetary value of benefits-in-kind covers any benefits provided by the employer and treated by the H.M. Revenue and Customs as a taxable emolument.

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

We have audited the financial statements of National Records of Scotland for the year ended 31 March 2013 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Expenditure, the Statement of Financial Position (except the budget and variance information disclosed) the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2012/13 Government Financial Reporting Manual (the 2012/13 FReM).

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

Respective responsibilities of Accountable Officer and auditor

As explained more fully in the Statement of the Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity

of expenditure and income. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements. It also involves obtaining evidence about the regularity of expenditure and income. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements, irregularities, or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2013 and of its net operating cost for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2012/13 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Opinion on regularity

In our opinion in all material respects:

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

Opinion on other prescribed matters

In our opinion:

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

PricewaterhouseCoopers LLP

Glasgow

30 September 2013

NATIONAL RECORDS OF SCOTLAND

STATEMENT OF COMPREHENSIVE EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2013

2011-12		2012-13			
Outturn		Note	Outturn	Budget	Variance
£'000			£'000	£'000	£'000
				(unaudited)	(unaudited)
	INCOME				
(7,875)	Administration Income	4	(7,099)	(6,830)	(269)
(1,145)	Contract Income		(1,036)	(1,034)	(2)
(6,467)	Fees & Charges		(5,714)	(5,476)	(238)
(263)	Rental Income		(349)	(320)	(29)
	EXPENDITURE				
14,657	Staff Costs	2	13,766	13,937	(171)
10,315	Directly Employed Staff		10,333	10,449	(116)
995	Temporary Staff Costs		671	652	19
3,347	Other Staff Costs		2,762	2,836	(74)
24,294	Administration Expenditure	3	13,756	13,547	209
4,489	Accommodation		4,898	4,289	609
150	Travel		118	140	(22)
8	Transport		6	6	–
17,277	Supplies & Services		6,137	6,623	(486)
103	Training		135	110	25
9	Hospitality		10	14	(4)
1,500	Depreciation & Amortisation		1,605	1,654	(49)
60	Auditor's Remuneration		60	70	(10)
139	Impairments		–	–	–
412	Loss on Disposals		647	501	146
144	Grants		140	140	–
3	Other Office		–	–	–
31,076	Net Operating Costs for the Year		20,423	20,654	(231)
246	Other Comprehensive Expenditure		(135)	–	(135)
246	Revaluation	7	(135)	–	(135)
31,322	Total Comprehensive Expenditure for the Year		20,288	20,654	(366)

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

The notes on pages 46 to 63 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	Note	2012-13 £'000	2011-12 £'000
Non-Current Assets			
Property, plant & equipment	7	18,250	18,558
Intangible assets	7	7,729	7,639
Trade and other receivables falling due after one year	9	154	–
		26,133	26,197
Current Assets			
Trade and other receivables	9	1,247	2,253
Cash and cash equivalents	10	1	1
		1,248	2,254
Total Assets		27,381	28,451
Current Liabilities			
Trade and other payables	11	3,140	2,575
Non-Current Assets Plus/Less Net Current Assets/Liabilities		24,241	25,876
Non-Current Liabilities			
Provisions for Liabilities and Charges	12	548	725
		548	725
Net Assets/Liabilities		23,693	25,151
Taxpayers' Equity			
General Fund		18,699	19,926
Revaluation Reserve		4,994	5,225
Total Taxpayers' Equity		23,693	25,151

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

The notes on pages 46 to 63 form part of these accounts.



Audrey Robertson
Accountable Officer
30 September 2013

*The financial statements on pages 42 to 45
were authorised by the Accountable Officer
for issue on 30 September 2013*

NATIONAL RECORDS OF SCOTLAND

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

Restated 2011-12 £'000			2012-13 £'000
	Cash flows from operating activities	Note	
(31,076)	Net operating cost		(20,423)
	Adjustments for non-cash transactions		
1,500	- Depreciation & amortisation	3	1,605
412	- Loss on disposal of non-current assets		646
63	- Net adjustment to general fund		12
60	- Audit fee	3	60
139	- Impairments	3	—
	Movements in working capital		
16	- Decrease in inventories		—
721	- Decrease in trade and other receivables	9	852
(1,563)	- Increase in trade and other payables	11	565
(135)	- Movements in provisions	12	(177)
(29,863)	Net cash outflow from operating activities		(16,860)
	Cash flows from investing activities		
(2,768)	Purchase of property, plant and equipment	7	(1,598)
(87)	Purchase of intangible assets	7	(301)
(2,855)	Net cash outflow from investing activities		(1,899)
	Cash flows from financing activities		
(32,684)	Funding		(18,759)
(32,718)	Net cash inflow from financing		(18,759)
(34)	Net decrease in cash and cash equivalents	10	—
35	Cash and cash equivalents at beginning of period		1
1	Cash and cash equivalents at end of period		1

Note: The exact sum of Parliamentary funding drawn during the 2012-13 financial year was £18,758,856.88.

The notes on pages 46 to 63 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND

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

		Restated		
		General	Revaluation	Total
	Note	Fund	Reserve	Reserves
		£'000	£'000	£'000
Balance at 1 April 2012		19,926	5,225	25,151
Total Comprehensive Expenditure for the year ended 31 March 2013	5 & 7	(20,423)	135	(20,288)
Transfers between reserves		366	(366)	–
Net adjustment to general fund		11	–	11
Non-cash charges – auditor's remuneration	3.2	60	–	60
Net funding		18,759	–	18,759
Balance at 31 March 2013		18,699	4,994	23,693

NATIONAL RECORDS OF SCOTLAND

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2012

		Restated		
		General	Revaluation	Total
	Note	Fund	Reserve	Reserves
		£'000	£'000	£'000
Balance at 1 April 2011		17,736	5,789	23,525
Total Comprehensive Expenditure for the year ended 31 March 2012	5 & 7	(31,198)	(124)	(31,322)
Transfers between reserves		440	(440)	–
Net adjustment to general fund		65	–	65
Non-cash charges – auditor's remuneration and impairment	3.2	199	–	199
Net funding		32,684	–	32,684
Balance at 31 March 2012		19,926	5,225	25,151

The notes on pages 46 to 63 form part of these accounts.

NATIONAL RECORDS OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

1. Statement of Accounting Policies

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

The preparation of financial statements require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying its accounting policies.

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

1.1 Accounting Convention

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

1.2 Basis of Accounting

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

1.3 Non-current Assets – Property, Plant & Equipment

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

- property on the departmental estate, title to which is held by Scottish Ministers;

- property, not being part of the departmental estate, held by NRS in the name of the Scottish Ministers.

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

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

- it is available for immediate sale;
- a plan is in place, supported by management, and steps have been taken to progress to sale; and
- it has been actively marketed and a sale is expected to be concluded within 12 months.

The minimum levels for capitalisation of non-current assets across asset categories are as follows:

	£'000
Freehold Land & Buildings	20
Specialised Shelving & Plant and Equipment	10
Vehicles & Office Equipment	5
ICT Systems	1
Antiques and Works of Art	20

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

Depreciation

Freehold land and assets held for sale are not depreciated.

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

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

1.4 Non-Current Assets – Intangible Assets

Website Images are shown at historic cost subsequent amortisation, revaluing back to purchase cost (in the absence of a professional valuation) every five years. Other non-current assets are shown at historic cost net of depreciation as a proxy for fair value.

A review of the policy for Website Images is planned for 2013-14 to reassess the position over revaluation and amortisation.

The minimum levels for capitalisation of non-current assets across asset categories are as follows:

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

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

Amortisation

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

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

1.5 Third Party Assets

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

1.6 Heritage Assets

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

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

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

1.7 Operating Income

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

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

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

1.8 Administration Expenditure & Income

The Statement of Comprehensive Expenditure analyses administration costs that reflect the costs of running NRS as defined under the administration cost control regime, together with associated operating income. Income is analysed in the notes between that which, under the regime, is allowed to be offset against gross administrative costs in determining the outturn against the administration cost limit, and that operating income which is not. All operations of the NRS are deemed to be continuing operations.

1.9 Grants

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

1.10 Foreign Exchange

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

1.11 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a defined benefit scheme and is unfunded and non-contributory. Portfolios, Agencies and other bodies covered by the PCSPS recognise the expected cost of providing pensions for their employees on a systematic and rational basis over the period during which they benefit from their services to the PCSPS of amounts calculated on an accruing basis. (Relevant disclosures are reported in note 2). Liability for payment of future benefits is a charge to the PCSPS. Separate scheme statements for the PCSPS as a whole are published.

1.12 VAT

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

1.13 Leases

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

1.14 Segmental Reporting

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

2. Staff Numbers and Costs

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

	2012-13	2011-12
	Average W.T.E. Staff	Average W.T.E. Staff
Registration	40	40
Census	55	69
Demography	51	61
Data Linkage	14	—
Records & Archives	41	41
Public Services	108	135
Corporate Services*	90	82
Senior Management	8	8
TOTAL	407	436

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

Average WTE staff numbers during 2012-13 can be broken down into 378 permanent staff and 29 temporary staff (2011-12: 393 and 43 respectively).

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

	2012-13			2011-12		
	Permanent Staff	Temporary Staff	Total Staff	Permanent Staff	Temporary Staff	Total Staff
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and Salaries	10,333	671	11,004	10,315	995	11,310
Social Security Costs	760	—	760	755	—	755
Pension Costs	1,774	—	1,774	1,825	—	1,825
Other Staff Costs	228	—	228	767	—	767
TOTAL	13,095	671	13,766	13,662	995	14,657

Staff in NRS are members of the Principal Civil Service Pension Scheme. During the year there were no payments made from NRS to Ministers or Special Advisers.

Principal Civil Service Pension Scheme (PCSPS)

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

For 2012-13 employers' contributions of £1.774m (2011-12: £1.825m) were payable to PCSPS at one of five rates in the range 16.7 to 24.3 per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2012-13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners. Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions were paid to one or more of a panel of four appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions (0.8 per cent of pensionable pay) were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. There were no contributions due to the partnership pension or prepaid at the balance sheet date.

For 2012-13 the value of Employers' Contributions relating to the partnership pension account was £13,094.80. (2011-12: £12,812.07)

3. Operating Expenditure

3.1 Analysis of Programme Expenditure

	2012-13 £'000	2011-12 £'000
Business Archive Grants	140	144
Total	140	144

3.2 Non-Cash Items

	2012-13 £'000	2011-12 £'000
Depreciation and amortisation	1,605	1,500
Impairments	–	139
Loss on disposal of assets	646	412
Audit fee	60	60
Total	2,311	2,111

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

3.3 Other Operating Expenditure

There is £872K of expenditure relating to operating leases arrangements for properties recorded within

4. Operating Income

4.1 Operating income analysed by classification and activity, is as follows:

	2012-13 Income Applied £'000	2011-12 Income Applied £'000
Administration income:		
Fees and charges to external customers	6,063	6,730
Fees and charges to other departments	1,036	1,145
Total Administration Income	7,099	7,875

Administration Expenditure (2011-12: £864K). Administration Income includes recoverable VAT on business activities and that recoverable under Section 27(2A) of the VAT Act 1983 (subsequently replaced by Section 41(3) of the VAT Act 1994), together with rental income from minor occupiers of Civil Estate property.

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

NRS receives an income stream from the operation of the ScotlandsPeople website, which enables access to a range of information we hold in our registers. We have grossed up income in our accounts to include our website contractor's share of income, following a review of our contractual position on 1 September 2010 that acknowledges that our website contractor acts as an 'agent' on our behalf. There is no interest receivable to be recorded within the Operating Cost Statement. Income Not Applied includes amounts for surrender to the Consolidated Fund.

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

Service Provided	Income Received £'000	Full Cost £'000	Surplus/ (Deficit) £'000
Change of name, vital events sales, extracts, microfilm, microfiche and public charges	2,608	2,907	(299)
Financial Objective:			
In partnership with the Lyon Office, meet the cost of running the ScotlandsPeople Centre service to enable investment in making additional services and records more accessible to customers.			
Performance against the Financial Objective:			
In 2012-13 there was a deficit arising from providing SPC campus services, mainly as a result of a drop in income. A review of the memorandum trading account arrangements will be necessary in early 2013-14 to reflect upon the performance of this objective alongside the wider remit of our Public Services across NRS.			

Service Provided	Income Received £'000	Full Cost £'000	Surplus/ (Deficit) £'000
Maintenance of the National Health Service Central Register (NHSCR) of patients and associated research data sales	1,025	1,000	25
Financial Objective: To meet the cost of running the National Health Service Central Register which we provide as a service to the NHS and the Improvement Service through funding received from the Scottish Government.			
Performance against the Financial Objective: In 2012-13 there was a small surplus arising from providing these services. A review of the memorandum trading account arrangements will take place in early 2013-14 to determine what the impact on the level of service provided to the NHS and Improvement Service will be, following proposed reductions of 7 per cent in the level of NHS contract income.			

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

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

	2012-13 £'000	2011-12 £'000
Net Operating Cost	20,423	31,076
Less: Non-Supply expenditure/income including income	—	—
Net Resource Outturn	20,423	31,076
Of which:		
Departmental Expenditure in DEL	20,423	31,076
Main Departmental Programme in AME	—	—

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

6. Analysis of Capital Expenditure

	2012-13 £'000	2011-12 £'000
National Records of Scotland	1,899	2,855
Total	1,899	2,855

7. Non-current Assets - Property, Plant & Equipment

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

As part of a rolling five-year programme, General Register House, New Register House, West Register House, Thomas Thomson House and Station Road were valued independently as at 31 March 2013 by GVA Grimley, International Property Advisors, on the basis of Fair Value in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors. The result of this valuation was a revaluation gain of £135K.

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

As at 31 March 2013, Station Road has been classified as an asset held for sale, pending its planned sale during 2013-14.

7. Non-current Assets - Property, Plant & Equipment

	Freehold Land	Buildings	Office Equipment	Vehicles	Plant & Equipment	ICT Systems	Specialised Shelving	Antiques & Works of Art	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation									
At 1 April 2011	2,090	11,469	857	52	867	4,077	3,130	1,690	24,232
Additions	–	–	48	32	344	862	132	1,350	2,768
Disposals	–	–	(30)	–	(112)	(290)	(401)	–	(833)
Revaluation	(108)	(780)	–	–	(379)	–	–	–	(1,267)
Indexation	(78)	401	–	–	–	–	–	–	479
At 31 March 2012	2,060	11,090	875	84	720	4,649	2,861	3,040	25,379
Accumulated Depreciation									
At 1 April 2011	–	–	785	33	559	3,122	1,888	247	6,634
Charged in year	–	531	10	5	51	376	142	68	1,183
Disposals	–	–	(18)	–	(40)	(165)	(230)	–	(453)
Adjustments	–	–	–	–	–	–	–	(1)	(1)
Revaluation	–	(546)	–	–	(11)	–	–	–	(557)
Indexation	–	15	–	–	–	–	–	–	15
At 31 March 2012	–	–	777	38	559	3,333	1,800	314	6,821
Net book value current year	2,060	11,090	98	46	161	1,316	1,061	2,726	18,558
Net book value prior year	2,090	11,469	72	19	308	955	1,242	1,443	17,598

7. Non-current Assets - Intangible Assets

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

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

7. Non-current Assets - Intangible Assets

	Computer Licences £'000	Website Images £'000	Computer Software £'000	Total £'000
Cost or Valuation				
At 1 April 2011	871	7,880	984	9,735
Additions	25	24	38	87
Disposals	(52)	(6)	(2)	(60)
Adjustments	–	2	–	2
At 31 March 2012	844	7,900	1,020	9,764
Accumulated Amortisation				
At 1 April 2011	758	259	817	1,834
Charged in year	50	136	131	317
Disposals	(25)	–	(1)	(26)
At 31 March 2012	783	395	947	2,125
Net book value current year	61	7,505	73	7,639
Net book value prior year	113	7,621	167	7,901

8. Movements in Working Capital Other than Cash

	2012-13 £'000	2011-12 £'000
(increase)/decrease in inventories	–	16
(increase)/decrease in receivables	852	721
Increase/(decrease) in payables	565	(1,563)
Total	1,417	(826)

9. Trade and Other Receivables

	2012-13 £'000	2011-12 £'000
Current		
Trade receivables	160	724
VAT	142	419
Prepayments and accrued income	495	692
Other receivables	450	418
Total	1,247	2,253
Non-Current		
Prepayments and accrued income	154	–
Total	154	–
Other Central Government Bodies	229	1,110
Local Authorities	5	5
NHS Bodies	3	15
Public Corporations & Trading Funds	31	–
Bodies External to Government	1,133	1,123
Total Receivables	1,401	2,253

10. Cash and Cash Equivalents

	2012-13 £'000	2011-12 £'000
At 1 April	1	35
Movement	–	(34)
At 31 March	1	1
Commercial banks and cash in hand	1	1
At 31 March	1	1

11. Trade and Other Payables

	2012-13 £'000	2011-12 £'000
Current		
Trade payables	80	6
Deferred income	8	–
Employee Benefits	790	777
Accruals	2,262	1,792
Total	3,140	2,575
Other Central Government Bodies	912	802
Local Authorities	1	–
NHS Bodies	4	–
Bodies External to Government	2,223	1,773
Total Payables	3,140	2,575

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

12. Provisions for Liabilities and Charges

	2012-13 £'000	2011-12 £'000
Balance as at 1 April	725	860
Discounting of provision	(13)	—
Amounts utilised in year	(164)	(135)
Balances as at 31 March	548	725

During financial year 2012-13, no NRS employees were awarded early retirement.

This balance as at 31 March 2013 represents an estimate of the future annual payments that NRS must make in relation to retirements up to March 2019. There is little uncertainty over future payments from this provision, although over time marginal variations may occur in the annual amount payable.

NRS has reviewed the accuracy of provision held as payments arise and, where necessary, reviews the level of the sum provided. As at 31 March 2013, the liability for provisions has been reduced by £13K in accordance to HM Treasury guidelines.

13. Reporting of Civil Service and Other Compensation Scheme

Exit packages		
Exit package cost band	2012-13 Number of departures agreed	2011-12 Number of departures agreed
less than £10,000	—	2
£10,000 to £25,000	6	10
£25,000 to £50,000	3	8
£50,000 to £100,000	—	2
£100,000 to £200,000	—	1
over £200,000	—	—
Total number of exit packages	9	23
Total resource cost	£179,487	£705,303

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

14. Commitments Under Operating Leases

	2012-13	2011-12
	Land and Buildings	Land and Buildings
	£'000	£'000
At 31 March 2013 the department was committed to making the following payments in respect of operating leases:		
Within one year	874	872
Between two and five years	3,496	3,496
After five years	1,876	2,615
Total	6,246	6,983

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

There is currently an ability to renew both existing leases, although it's worth noting that the property owner for Ladywell House is expected to change during 2013.

15. Other Commitments

	2012-13	2011-12
	£'000	£'000
Grant and other commitments at 31 March 2013 for which no provision has been made	1,100	500

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

16. Related Party Transactions

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

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

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

17. Contingent Liabilities

There were no contingent liabilities for the 2012-13 financial year (2011-12: nil).

18. Financial Instruments

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

19. Segmental Analysis as at 31 March 2013

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

- **Registration:** Responsible for the administration of civil registration of vital events (births, deaths, stillbirths, marriages, civil partnerships, divorces, dissolution of civil partnerships, gender recognition and adoptions). It is also responsible for the administration of the statutes relating to the legal preliminaries to marriage and civil partnership, and the solemnisation of civil marriages and registration of civil partnerships. It looks after the IT systems which make possible the electronic capture and distribution of information for registration purposes.
- **Census:** Responsible for the delivery of the results from the 2011 Census programme. Census results help to plan a better future for Scotland and its local communities. Central and local government, health authorities, businesses and community groups all benefit from the availability of Census information.
- **Demography:** Publishes statistical information about the people of Scotland such as births, deaths, migration, population estimates and projections. These statistics are used by the Scottish Government, local authorities and others to inform policies and also to help in planning.
- **Public Services:** Encompasses NRS's public services, both on-site and on-line. On-site services include Extract Services, ScotlandsPeople, the Historical Search Room and the Legal Search Room, as well as a special service for adopted individuals. It meets NRS's statutory duty to provide extracts from various legal registers including the registers of births, deaths, marriages, civil partnerships, adoptions, and sasines. The NRS's education and outreach programmes, its online resources team, digital imaging unit and the Scottish Register of Tartans are also housed in this division.
- **Records and Archives Services:** Deals with issues related to archives and record-keeping. It selects, preserves and conserves, and catalogues records of permanent historical value in all formats created by outside bodies and NRS. It leads on the development of guidance for the new Public Records (Scotland) Act 2011 and advises government bodies, the courts, private and corporate owners about their record-keeping responsibilities. This Division has an important role in ensuring that, along with other national archives around the world, NRS remains at the fore-front of new developments in record keeping.

- **Data Linkage:** The Data Sharing and Data Linking Service (DSLS) will be delivered through collaboration between NHS National Services Scotland (NSS), and National Records of Scotland (NRS) and operated within the linkage framework under the direction of a Governing Board.
- **Corporate Services:** Supports the work of other branches in the department. It is responsible for budgeting and spending reviews and revisions, coordinating and monitoring the corporate planning process. It arranges the

supply of accommodation, voice and data communications, ICT, learning and development and office services. It liaises with the Scottish Government Divisions who provide NRS with personnel, ICT and financial services.

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

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

The table below analyses 2012-13 operating cost income and expenditure across all divisions, including Senior Management.

	Staff Costs	Administration Expenditure	TOTAL EXPENDITURE	Administration Income	TOTAL NET OPERATING COSTS
	£'000	£'000	£'000	£'000	£'000
Registration	1,303	132	1,435	(258)	1,177
Census	1,960	1,194	3,154	–	3,154
Demography	1,565	105	1,670	(1,068)	602
Public Services	2,944	1,836	4,780	(5,303)	(523)
Records & Archives	1,422	279	1,701	(49)	1,652
Data Linkage	540	598	1,138	(5)	1,133
Corporate Services	3,178	7,258	10,436	(416)	10,020
Senior Management	559	43	602	–	602
	13,471	11,445	24,916	(7,099)	17,817

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

	Note	Total £'000
Segmental Total Expenditure		24,916
Adjust for Non-cash Items:		
Depreciation & amortisation	7	1,605
Auditor's Remuneration	3	60
Loss on Disposals	3	646
Adjust for Unallocated Centrally Managed Costs:		
Approved Voluntary Exits	2	204
Maternity Leave	2	67
Employee Benefits	2	24
Gross Operating Costs as per Statement of Comprehensive Expenditure		27,522
Segmental Total Income		(7,099)
Total Net Operating Costs as per Statement of Comprehensive Expenditure		20,423

The table below analyses 2011-12 operating cost income and expenditure across all divisions, including Senior Management.

	Staff Costs	Administration Expenditure	TOTAL EXPENDITURE	Administration Income	TOTAL NET OPERATING COSTS
	£'000	£'000	£'000	£'000	£'000
Registration	1,255	95	1,350	(177)	1,173
Census	2,570	13,355	15,925	1	15,926
Demography	1,956	73	2,029	(1,044)	985
Public Services	3,496	1,944	5,440	(5,585)	(145)
Records & Archives	1,427	195	1,622	(635)	987
Corporate Services	2,548	6,445	8,993	(435)	8,558
Senior Management	544	76	620	–	620
	13,796	22,183	35,979	(7,875)	28,104

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

	Note	Total £'000
Segmental Total Expenditure		35,979
Adjust for Non-cash Items:		
Depreciation	7	1,500
Auditor's Remuneration	3	60
Impairment	3	139
Loss on Disposals	3	412
Adjust for Unallocated Centrally Managed Costs:-		
Approved Early Severances	2	747
Employee Benefits	2	20
Unposted Staff	2	94
Total Expenditure as per Operating cost statement		38,951
Segmental Total Income		(7,875)
Total Net Operating Costs as per Operating Cost Statement		31,076

ACCOUNTS DIRECTION



NATIONAL RECORDS OF SCOTLAND

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

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



Signed by the authority of the Scottish Ministers

Dated 6 June 2012

GLOSSARY OF TERMS USED WITHIN THE ACCOUNTS

Departmental Expenditure Limit (DEL)

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

Annually Managed Expenditure (AME)

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

Depreciation

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

Resource Accounting

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

Resource Budgeting

Planning and controlling public expenditure on a resource accounting basis.

Budget Document

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

Operating Cost Statement

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