

Annual Report and Financial Statements

For the year ended 31 March 2022



Laying number: SG/2022/156



CROWN OFFICE
& PROCURATOR
FISCAL SERVICE

SCOTLAND'S PROSECUTION SERVICE

We act to uphold
the rule of law
independently,
robustly, fairly
and effectively.



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The Performance Report



The Performance Report

Introduction

The Crown Office and Procurator Fiscal Service (COPFS) is Scotland's public prosecution authority, investigates sudden, suspicious and unexplained deaths and investigates allegations of criminal conduct against police officers.

Our purpose is to secure justice for the people of Scotland in respect of the investigation and prosecution of crime and the investigation of deaths. Our work helps to ensure that Scotland is safe from crime, disorder and danger.

By investigating and prosecuting crime in accordance with our Prosecution Code, we ensure that those responsible are identified and held accountable. By investigating deaths, we ensure that appropriate lessons are learned with a view to reducing the incidence of avoidable deaths. We act to uphold the rule of law independently, robustly, fairly and effectively.

To ensure our service remains fit for purpose in the face of a changing landscape we are working towards the goals in our **Strategic Plan for 2020-2023**.

Our overall, high level strategic goals for 2020-2023 are to:

- **Deliver high quality casework** – We will secure justice through independent, robust, fair and effective professional decision-making, case preparation and presentation. We will explain our decisions, be open about our work and conclude our investigations more quickly.
- **Support our people** – We will build a skilled, engaged and diverse workforce, invest in staff development and strengthen our capacity to deliver an improved service.
- **Improve our service** – We will continue to digitise and modernise the way we work, supporting wider reform of the criminal justice system, securing efficient and effective justice and putting the public at the heart of all we do.

Between 2020 and 2023 we also intend to meet the challenges of the COVID-19 pandemic and deliver a significant transformation in our service. In creating our strategy, we consulted with our staff and organisations with whom we work closely to consider the service we aspire to provide by 2023, and the changes we will make to achieve this.

Statement by the Crown Agent and Chief Executive on performance for the period

Performance

2021-22 continued to be a time of significant uncertainty and unprecedented change for the people of Scotland due to the COVID-19 pandemic. Our overall focus remains: to keep the people of Scotland safe from harm and to deal effectively with those who break the law. In doing so, our priority has been to protect the safety and wellbeing of the public we serve and our staff as we worked together in new ways.

Our casework is becoming more challenging due to changes in profile and complexity. We are committed to rising to meet these challenges and continuously improving the levels of service we provide to the public.

COVID-19 Pandemic Impact

From early in 2020, the COVID-19 pandemic caused huge health and economic issues for virtually every country in the world.

The criminal justice system in Scotland scaled down all but the most essential court proceedings. In 2021-22, in line with Government guidelines, COPFS required the majority of its staff to continue to work from home. While the existing Digital Strategy was designed to provide the capability for our people to work productively from any connected location, the impact of the COVID-19 pandemic required full-time home working for many staff for a protracted period. COPFS equipped all staff with a laptop and secure video conferencing and collaboration solutions to work productively and to engage with colleagues.

Existing Business Continuity Plans successfully came through the sternest of tests and were revised to include lessons learnt from the first year of the pandemic. Policies were revised to support the continuation of home working with a view to incorporating it into our Future Ways of Working programme, which considers how we manage our people, workplaces and technology, preparing for the introduction of the new Agile Working Policy, which covers informal requests for temporary working arrangements. Support for Line Managers managing staff and teams remotely was developed and a Working Safely Hub was launched to provide learning and resources for staff.

Continued service delivery was overseen by the Corporate Resilience Group (CRG) supported by a number of sub-groups and CRG kept Executive Board and Audit and Risk Committee comprehensively updated. The COPFS Risk Management Group continually revised the new strategic risk register to provide an updated framework for decision making as we moved through the phases of our business plan. This is a dynamic register with frequent updates as circumstances change and risks are managed or addressed.

Through coordination of our pandemic response with the Scottish Government's resilience planning, Police Scotland and the Scottish Courts and Tribunal Service, among others, we provided clarity and direction for colleagues and stakeholders as circumstances changed.

The continued changes to our operations include:

- Staff continued to work from home and in offices throughout the year, balancing the public health restrictions and the need to carry out essential business in the office.
- COPFS continued to rely on the provisions of the COVID-19 pandemic emergency legislation, including the extension to time-bars and use of digital courts.
- The introduction of additional recovery courts in September 2021 in the Sheriff Court and High Court to reduce the pandemic backlog.

COPFS moved from the 2020-21 Business Plan priorities of Response, Recovery and Renewal to supporting the Strategic Plan priorities of Deliver High Quality Casework, Support our People and Improve our Service as detailed on page 4.

The coronavirus pandemic has had a significant impact on the work of COPFS, most notably leading to a substantial increase in the backlog of criminal cases. This has resulted in delays for those involved in criminal cases.

Throughout 2021-22 we worked with our justice partners to outline and implement plans to reduce the backlog and trial delay periods.

It is anticipated that recovery to pre pandemic levels will take some years and the Scottish Government has provided additional recovery funding to COPFS to allow us to tackle the backlog as quickly as possible.

We are actively working with justice partners to deliver the Recover, Renew, Transform (RRT) programme, focusing on returning court capacity to pre-pandemic capacity and reducing historical backlogs, creating new ways of working and resolving cases at the earliest possible opportunity, including by greater use of technology.

Although there has been reduced court activity due to the continued COVID-19 pandemic restrictions, through focussing on our strategic goals of delivering high quality casework, supporting our people and improving our service, COPFS kept the growing backlog of cases as low as possible, supported victims and witnesses and improved performance by activities described throughout this Annual Report.

COPFS promotes diversity and engagement with local communities across the country through its annual Schools Public Speaking Competition. The competition was restarted in 2020-21 using Microsoft Teams.

Performance and outcomes

COPFS has a national database which stores operational information about our cases. We use it to help us to manage our casework effectively and, although it is not a statistical database, we are able to use some of the information it provides to help us monitor aspects of our performance.

The following table shows the number of reports that we receive on an annual basis as well as the outcomes.

	2021-22	2020-21
Criminal Reports Received	147,637	159,195
Death Reports Received	15,845	15,739
Total Reports Received (I)	163,482	174,934
Non-Court Disposals (II)		
No Action	14,282	15,930
Warning Letters	5,203	6,583
Conditional Offers of Fixed Penalties Paid	12,180	10,384
Fiscal Fines Paid/Accepted	11,510	12,399
Compensation Orders Accepted	594	925
Combined Fiscal Fines/Compensation Orders Accepted	3,189	2,051
Other Non-court disposals	14,066	13,960
Total Non-Court Disposals	61,024	62,232
Total No Further Action (III)	23,581	16,437
Total Cases which end without a court disposal	84,605	78,669

Notes:

- I. COPFS receives reports about crimes from the police and other reporting agencies and then decides what action to take, including whether to prosecute someone. We also investigate deaths that need further explanation and investigate allegations of criminal conduct against police officers.
- II. Prosecutorial decisions are made by the Procurator Fiscal in accordance with the Prosecution Code and other prosecution policy and guidance.
- III. No Further Action indicates cases which were closed after court or non-court action had been commenced or attempted (e.g. cases which were closed because the accused died, the accused could not be traced, a key witness was not available, etc.)

Despite public health restrictions being in place for much of the year, the total number of criminal reports received was not significantly less than in 2020-21. It is notable that the number of death reports, after increasing substantially in 2020-21, by around 50%, has remained almost the same for 2021-22. The total non-court disposals are slightly less than 2020-21 with a reduction of 1,208 actions.

Information on Court Disposals is not collated by COPFS. Information on court disposals is published by the Scottish Courts and Tribunal Service (SCTS) with the following extract as at 31 March 2022:

	2021-22	2020-21 Restated
JP Court Cases		
Complaints registered	23,557	16,932
Complaints concluded*	22,058	9,975
Trials scheduled at 31 March	7,569	5,560
Sheriff Court Summary Cases		
Complaints registered	55,506	54,110
Complaints concluded*	54,201	32,443
Trials scheduled at 31 March	30,520	30,645
Sheriff Court Solemn Cases		
Indictments registered	5,759	4,851
Indictments concluded*	5,132	3,286
Trials scheduled at 31 March	2,274	1,329
High Court Cases		
Indictments registered	745	767
Indictments concluded*	756	455
Trials scheduled at 31 March	560	267
Total complaints/indictments registered	85,567	76,660
Total complaints/indictments concluded*	82,147	46,159

Note:

* Cases concluded includes cases not disposed of in prior years.

** The 2020-21 figures have been restated as the 2020-21 Annual Accounts had provisional figures quoted which have since been finalised.

As shown in the table above, due to the COVID-19 pandemic restrictions, cases concluded increased by 35,988 (78%) compared to 2020-21 levels, and total complaints registered increased by 8,907 (12%) compared to 2020-21 levels.

Performance against our published targets during 2021-22 was:

Business Area	Target	Performance 2021-22	Performance 2020-21
Service of Indictments*	All indictments are served within timebar**	100%	100%
Take & Implement Decisions***	Take a decision on the appropriate course of action and implement that decision in at least 75% of cases within 4 weeks of the report being received.	73%	76%
Investigation of Deaths****	In deaths which require further investigation, conduct the investigation and advise the next of kin of the outcome within 12 weeks in at least 80% of cases.	50%	59%
Investigation of Criminal Allegations against the Police*****	Complete investigation of complaints of criminal conduct by police officers and advise complainer of the outcome within 6 months of the report to the Procurator Fiscal in at least 75% of cases.	87%	Not Applicable

Notes

* An indictment is a document setting out the charge(s) of crimes or offences against an accused in more serious cases. A case on indictment is tried by judge sitting with a jury in the High Court (in the most serious cases), or the sheriff court. This is termed solemn procedure.

** There are strict time limits which regulate the maximum time allowed between an accused's appearance on petition (the normal first step in solemn procedure) and the service of an indictment on him/her. The time allowed depends on whether (s)he is granted bail by the court or remanded in custody.

*** This target applies to all cases except cases which are likely to be dealt with under solemn procedure i.e. more serious cases which are likely to be dealt with in the High Court or in the Sheriff Court before a jury.

**** A key target in the investigation of deaths is that where a death requires further investigation, we will conduct the investigation and advise the next of kin of the result within 12 weeks of the death being reported to the Procurator Fiscal. Many of these deaths require a post-mortem examination to be conducted. The examination process includes toxicological analysis. Pathologists are unable to conclude their examinations and submit their final reports to COPFS until they receive the toxicology results.

***** Following a review, a revised target for criminal allegations against the police was introduced from 1 July 2021. Performance achieved in 2021-22 relates to the period from 1 July onwards only.

The provision of toxicology services was severely impacted in 2021-22 by the pandemic and COPFS has worked closely with the Scottish Government, SPA and Police Scotland to ensure that SPA's efforts to improve the position are successful.



















The main risk to the delivery of targets is that operational resources are not effectively balanced against workloads. A range of controls are in place to mitigate this risk.

Business Services

Business Services support colleagues across COPFS on a day-to-day basis, providing central services including Digital, Finance, Human Resources, Estates, Learning and Development and Corporate Communications.

Throughout the year, Business Services KPIs were monitored monthly. The results show that although working remotely, we still delivered a quality service demonstrated as follows for the 12-month period to 31 March 2022:

Information Services

KPI	Target	2021-22 Average	2020-21 Average
COPFS IT Digital Production Systems Availability	99.5% 	98.4% 	100% 
Case Management System availability(FOS)	99.5% 	99.8% 	99.7% 
Other Case Management Systems Availability	99.5 % 	99.7% 	99.7% 
COPFS Network Availability	99.5% 	99.7% 	99.7% 
COPFS Desktop Availability	99.5% 	99.8% 	99.9% 
Total number of Incidents for the year		30,964	34,409
Incidents where SLA's met	85% 	88.4% 	92.3% 
















Finance

KPI	Target	2021-22 Average	2020-21 Average
Invoices paid within 10 day aspirational payment (Excluding GPC transactions)	95%	98.6%	93.0%
Staff travel and subsistence claims paid within 10 days	100%	100%	100%
Invoices processed within 30 days payment target (Excluding GPC transactions)	98%	99.5%	96.1%
Witness claims paid within 10 days	100%	100%	100%

Human Resources

KPI	Target	2021-22 Average	2020-21 Average
Payroll transactions received and implemented accurately	96%	99.7%	99.7%
Journey time from advert to successful applicant notification to be completed in 6 weeks (30 working days) for 96% of internal campaigns excluding national boards (Internal)	96%	89.4%	97.3%
Journey time from advert to successful applicant notification to be completed in 8 weeks (40 working days) of 96% external campaigns excluding national boards (inc. appointments from SG (external)	96%	91.5%	91.7%










Records Management/Central Printing (Including Citation Kits)

KPI	Target	2021-22 Average	2020-21 Average
Case documents printed within 24 hours of receipt	95% 	97.8% 	97.2% 
Reply forms scanned within 24 hours of receipt	95% 	97.7% 	97.1% 
Service desk calls closed within 24 hours of assignment	95% 	100% 	100% 
Citation Kits (CKits*) printed, collated and ready for signature within 48 hours of receipt at print queue	90% 	97.8% 	97.6% 
Reply forms scanned and sent to offices within 48 hours of receipt	95% 	97.4% 	96.9% 















Note:

* A CKit is court documentation produced for Sheriff Summary and Justice of the Peace cases. Ckits include documentation informing Subjects of the date their case will be heard in court and the charges against them, documentation for the Court Clerks and for the Procurator Fiscal.

Estates/Offices Services

KPI	Target	2021-22 Average	2020-21 Average
Respond to Priority 1 office repairs within 2 hours of report on QFM; rectify faults within the same day if possible.	95% 	100% 	100% 
Respond to Priority 2 office repairs within 6 hours of report on QFM; rectify faults within 5 working days.	95% 	96.8% 	93.3% 
Respond to Priority 3 office repairs within 2 working days of report on QFM; rectify faults within 5 working days	95% 	97.7% 	94.8% 

Learning and Development

KPI	Target	2021-22 Average	2020-21 Average
Deputes placed on accreditation programme upon qualifying or joining COPFS and accredited in line with policy	100% 	100% 	N/A
New staff undertaking Corporate Induction within 4 weeks of start date	90% 	93.5% 	100% 
Legal Trainees meeting the required standard of being a "fit and proper person to be a solicitor" on completion of their Traineeship	95% 	100% 	100% 
Modern Apprentices "on track" to complete MA programme	90% 	100% 	96.6% 
Applicants attending their booked training course	90% 	96.7% 	100% 

Corporate Communications

KPI	Target	2021-22 Average	2020-21 Average
Achieve 9000 page views of Update blog per month	9,000	9,323	11,757
Publish at least ten employee stories per month on Update	10	12.6	6.6

Finance and risks

Finance strategy

An updated Finance Strategy was published at the end of May 2021. The Finance Strategy is supported by an updated Medium-Term Financial Plan and, in each year, an Annual Business Plan, which outlines the business objectives and deliverables for each year.

Over the last few years, COPFS has taken a number of steps to ensure continued operational delivery. These include developing and publishing strategies covering Finance, Digital, Estates, Procurement and Workforce which support the delivery of the COPFS Strategic Plan. The COPFS Finance Strategy takes cognisance of these strategies. They can be found on our website at [**COPFS Business and Strategy Plans**](#).

Owners, project executives and managers from across COPFS are responsible for taking each strand forward and delivering agreed benefits; each owner is accountable ultimately to one of the three Committees of the Executive Board. The interdependencies between the various strategies and work streams are being mapped to ensure that they are fully understood, and are managed accordingly to ensure they underpin the delivery of our strategic financial targets.

Available resources

In line with the Scottish Government and other central government bodies in the UK, COPFS has implemented full reporting of the Annual Accounts under International Financial Reporting Standards (IFRS). The results for the year 2021-22 are reported in the accounts; they record total outturn (resource and capital) of £178m (2020-21: £170m) against the updated budget for 2021-22 of £179.7m (2020-21: £170.4m). Scottish Government have confirmed that whilst there is no budget cover for 2021-22, the additional non-cash AME requirement of £16m will be accommodated within the Scottish Government Scottish Budget outturn, and thus funded in 2022-23.

Central Scottish Government budgets are set before the start of the Financial Year through the Budget Bill process. Adjustments can be made only twice during the financial year: at the Autumn and Spring Budget Revisions (ABR and SBR). However, expenditure that arises after SBR, which cannot be accommodated within the revised budget, must also be authorised by the Scottish Government.

The total resource expenditure underspend was due to the volatility in major cases, legal expenses in 2021-22 following independent assessment of the impact of the Court of Session ruling on immunity from suit in relation to the conduct of solemn proceedings.

The budget and outturn for 2021-22 was as follows:

	Original Approved Budget	Updated Budget	Outturn	Variance
2021-22	£m	£m	£m	£m
Cash Resource Expenditure	146.8	164.4	161.9	2.5
Non-Cash Resource Expenditure	5.1	5.6	5.5	0.1
AME Impairment	-	1.5	1.4	0.1
Total Resource Expenditure	151.9	171.5	168.8	2.7
Capital Expenditure	4.8	8.2	9.2	(1.0)
Total Resource and Capital	156.7	179.7	178.0	1.7
AME provision 2020-21	-	-	17.7	(17.7)
AME Provisions 2019-20 Utilised	-	(10.9)	(10.9)	-
Total	156.7	168.8	184.8	(16.0)

Note:

The Resource and AME expenditure are reflected in the Statement of Comprehensive Net Expenditure. AME impairment is accelerated depreciation on assets where the additions do not add to the market value of the asset (Note 2 to the accounts) and material provisions required for the year Note 9 to the accounts).

The table below further breaks down our total spend to show what areas we spent our funding on (including capital):

	Annual Spend 2021-22	Annual Spend 2020-21
Business Area	£'000	£'000
Local Court	50,963	44,608
Operational Support	16,162	15,494
Post Mortems	9,856	9,476
Specialist Casework	63,022	66,003
Centrally Managed Costs	21,842	19,790
Capital	9,169	9,117
Non Cash and AME Impairment	13,748	7,962
Total	184,762	172,450

The table below shows our consumption of resources, excluding Capital Costs and net gain or loss on revaluation of property, plant & equipment by each of the objectives from the strategic plan in line with our Statement of Comprehensive Net Expenditure on page 75:

Objectives	2021-22 Expenditure £000	2021-22 Income £000	2021-22 Net £000	2020-21 Net £000
To ensure criminal cases are effectively and independently investigated and prosecuted or have other proportionate action taken in the public interest. To ensure financial gain achieved by criminal means is removed from criminals using proceeds of crime laws.	158,355	(2,046)	156,309	142,261
To ensure that victims, nearest relatives and witnesses and those accused of an offence are treated with dignity and respect.	9,137	-	9,137	7,318
To ensure deaths which need further explanation are appropriately and promptly investigated.	10,147	-	10,147	13,754
Net Operating Costs	177,639	(2,046)	175,593	163,333

As these tables demonstrate, we ensure that the resources available to COPFS are maximised and spent in accordance with our Strategic Plan.

During 2021-22 an updated scheme of financial delegation was put in place which balanced the requirement to manage our resources corporately with a sufficient degree of local accountability and incentives.

COPFS received additional funding to address court backlogs as part of the Court Recovery Programme under the wider Justice Recover, Renew, Transform Programme. Additional staff were recruited during 2021-22 to address court backlogs.

COPFS progressed the delivery of its Digital Strategy and transformation programmes, maximising its use of technology to modernise, develop and transform corporate, case management and stakeholder and public facing systems and services. Core projects started and progressed include:

- Digital Workplace solutions to further equip our people to work productively and collaboratively from the office, home or from any secure connected location and supporting our Future Ways of Working;
- Case Management system improvements and developments for delivering Criminal Justice Recover, Renew and Transform (RRT) priorities;
- Development of a new Witness Gateway digital portal to improve services to victims and witnesses for phased release from 2022/23 as part of the Vision for Justice in Scotland delivery plan;
- Launching an enhanced Pre-Intermediate Diet Booking (PIDM) app via our new Defence Agent Service (DAS) digital portal which is being developed to provide defence agents with a single user interface to access COPFS case disclosure information and services;
- Developing our Case Management systems in our journey to full digital casework and expanding Case Management in Court (CMiC) for use in Sheriff and Jury courts cases;
- Planning the design and implementation of the new cross-justice Digital Evidence Sharing Capability (DESC) service;
- Implementing our new corporate Intranet;
- Enhancing our IT infrastructure and improving the resiliency of our digital systems and information services in the event of major loss or impact to our systems;
- Defining our Cloud Strategy principles and implementation framework and developing new cloud technology platforms.

Total property, plant and equipment and intangible asset additions in the financial year were £9.2m (2020-21: £9.1m) in respect of capital refurbishments and investment in IT, to support the internal delivery of all our objectives (notes 4 and 5 on pages 92 to 95).

Payment policy and performance

COPFS requires that all suppliers' invoices not in dispute are paid within the terms of the relevant contract. COPFS aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time in accordance with those terms. Beyond this, in line with the Scottish Government, COPFS has, for many years, had a target for payment within 30 days.

In 2020-21 performance against the 30 day target was **99.76%** (2020-21: 98.32%).

COPFS also aspires to pay all undisputed invoices within 10 working days. During 2021-22 COPFS paid **99.41%** within the 10 day period (2020-21: 96.86%).

99.76%

99.41%

In 2021-22, in line with the government policy, no interest was paid under the terms of the Late Payment of Commercial Debt (Interest) Act (2020-21: Nil).



Principal risks and uncertainties facing the business

COPFS manages risk in accordance with recognised best practice (based on processes used across the Scottish Government). There is a corporate level Risk Register which is reviewed by our Risk Management Group (drawing information from lower level registers within COPFS). The Group reports to our Executive Board and the Audit and Risk Committee to provide assurance that risks are being managed appropriately.



During 2021-22 we have re-evaluated the risks that we, as an organisation, require to manage. The key risks identified were:

- a. Insufficient resource to enable COPFS to meet its statutory and policy obligations and meet public expectations;
- b. Inadequate leadership and management of COPFS staff;
- c. Poor wellbeing and low morale of COPFS staff;
- d. Insufficiently skilled or experienced COPFS staff available to meet current public expectations, and to strengthen our capacity to change and improve services;
- e. Decline of organisational performance and service delivery;
- f. Inadequate digital resource and capital investment;
- g. Inadequate contingency planning;
- h. Ineffective stakeholder engagement.

COPFS has controls and mitigating actions in place to address these risks where each risk has an owner and updates on mitigating actions are reported to the Risk Management Group. This includes continued monitoring of developments in relation to the United Kingdom's withdrawal from the European Union and the effects of the COVID-19 pandemic. We have teams in place to assess the impacts of Brexit and the COVID-19 pandemic on COPFS activities and services. The continual monitoring of developments ensures that COPFS is proactively managing the impact on the organisation.

We have been involved in civil litigation brought against the Lord Advocate by individuals prosecuted in connection with the acquisition and administration of Rangers Football Club. Some cases have resolved, with sums paid to pursuers as at March 2022 totalling £35.5 million (includes compensation and pursuers' legal fees), and other cases remain before the court. This is a highly complex matter in which the Inner House of the Court of Session has clarified the law on the common law immunity from suit of the Lord Advocate in exercising their prosecutorial function. In February 2021 the Lord Advocate has made a statement in the Scottish Parliament about this matter and has committed to further public accountability and to a process of inquiry once all litigation has concluded (see note 9 to the accounts on page 97).

People and capability

COPFS' **People Strategy** published in May 2021:

- a. Takes account of work priorities, resources and business objectives;
- b. Develops skills and talents of our people; and
- c. Builds engagement and promotes wellbeing.

Recruitment

COPFS has simultaneously been recruiting externally and promoting internally to fill vacancies as they arose in existing and additionally funded posts as a result of a 12% increase in resource budget announced by the Scottish Government due to the demands brought by the COVID-19 pandemic as well as increasing serious and complex caseloads.

As at the end of March 2022, COPFS employed 2,220.7 FTE (FTE including agency staff is 2,253.7), 647.98 FTE of the total number are qualified lawyers, which is a record level. The Service also employs 60 trainee solicitors and 26 Modern Apprentices. This has been an increase of 18.5% staff in post when compared to the 1879.73 FTE at the end of March 21. Approximately 78% of the Service's 2022-23 resource budget is expected to be spent on payroll costs, aligning to 77% in 2021-22 which was a record year. This continued increase is testament to a rigorous focus on reducing non-staff expenditure through efficiency gains, and COPFS, commitment to maintain and increase staffing levels to cope with increased workload brought about by increased caseload, implementation of new legislation creating new offences and continually increasing complexity of cases.

Staff engagement

The annual Civil Service People Survey looks at civil servants' working lives, and experience of working in government departments. All COPFS employees are encouraged to take part in this survey. The overall engagement index score continues to steadily increase, going up one point from 65% in 2020 to 66% in 2021. This mirrors the overall Civil Service engagement benchmark figure.

Organisational efficiency

COPFS' Business Plan 2021-22 committed to continuing the organisational efficiency programme. The following are some of the examples of achievement:

- a. Continuing working with criminal justice partners to deliver casework processes and digital technologies to support Criminal Justice Recover, Renew and Transform priorities and new criminal justice case management models;
- b. Enhancing our digital systems resiliency and support capabilities;
- c. Deploying a second version of the PIDM Booking App in December 2021 to support Pre-Intermediate Diet Meeting processes,
- d. Improving our digital casework systems, including developing Case Management in Court applications to enable digital presentation in court for Sherriff and Jury cases.
- e. The Future Ways of Working project worked closely with the HR, Estates and Digital teams as they consulted on and developed new agile working policies and plans, with solutions introduced to support more flexible working arrangements for staff designed to make COPFS more effective and bring wellbeing, organisational efficiency, and carbon reduction benefits;
- f. We closed our office in Inverness and now share accommodation with Scottish Courts and Tribunal Service and other Criminal Justice partners in a purpose-built Inverness Justice Centre;
- g. At the start of the COVID-19 pandemic, we supported the rapid and significant move of the majority of our staff to support them working from home; and
- h. We worked closely with operational colleagues and SCTS to increase the safe capacity within a number of our offices in order to assist in the court recovery programme, particularly the High Court.

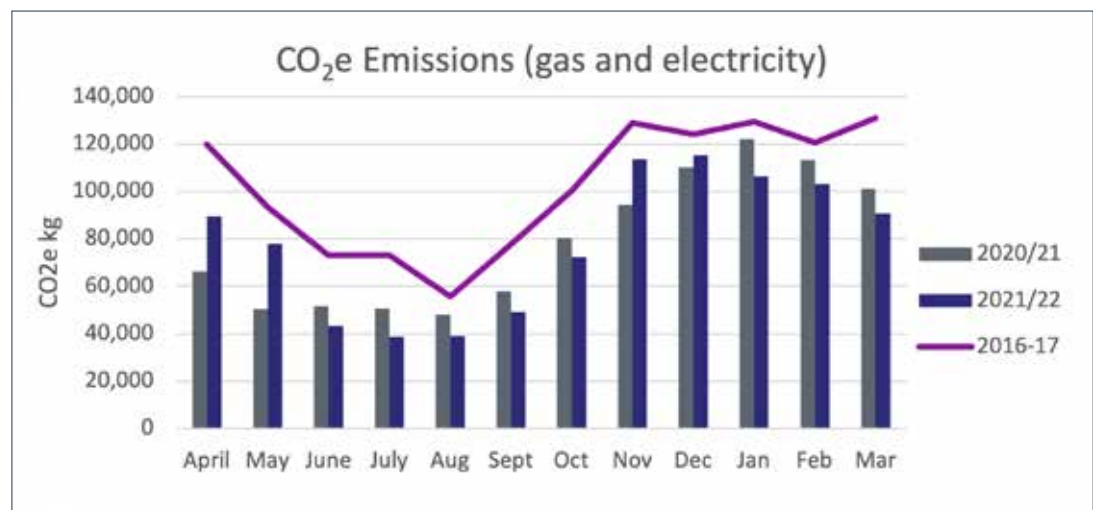
Environmental and sustainability

Energy and Carbon Performance

COPFS continues to exceed its target to reduce CO₂e emissions from the use of gas and electricity in its buildings by over 2.5% per year from the baseline year of April 2016 to March 2017 with emissions reduced by 23% by the end of March 2022. A large part of this reduction is due to an increase in national renewable energy generation. A reduction in electricity consumption of 18% has also contributed towards this reduction. However, emissions are only slightly down on last year by 1%.

Gas use has increased compared to the baseline year by 52%. This is due to the need to run ventilation 24/7 according to COVID-19 pandemic guidelines. This has caused a significant increase in heat demand as the supply air then needs to be heated to maintain comfortable internal temperatures. The table below details the changes from the baseline year and from last year.

	YTD vs Baseline (2016-17)	YTD vs Previous year (2020-21)
CO₂e	-23%	-1%
Electricity	-18%	0%
Gas	52%	-1%



Note:

CO₂e – Carbon dioxide equivalent emissions.

Electricity generation in the UK from renewable sources has increased and now accounts for almost 50% of generation; without this change generation emissions would have increased by 12% on the baseline.

Projects

The Scottish Government funded a feasibility study into the measures that would be required to make Elgin and Falkirk Zero Carbon Ready buildings. These have now been completed and indicate a range of measures which would significantly reduce carbon emissions resulting from the operation of these buildings.

Measures include reducing heat-loss through the installation of triple glazing, wall and roof insulation and replacing gas boilers with electrical based heating systems. For example, at Elgin building fabric improvement could reduce heat loss by up to 77%.

Further studies have been very recently completed to identify the options to reduce heat-loss at Dumbarton, Dumfries, Edinburgh Chambers Street, Kilmarnock, Tain and Peterhead.

Scottish government funding was also secure to install solar panels (PV) at Falkirk and Paisley which will further increase the generation of renewable electricity.

Staff Travel Survey

A staff travel survey was completed this financial year. It reveals that, approximately, carbon emissions resulting from commuting are currently down from 2329 tonnes to 853 tonnes, a reduction of 1,476 tonnes of CO₂e compared to before COVID-19 pandemic. To put this in context, it is estimated that the carbon emissions resulting from running our buildings, business travel and waste management in 2020-21 was 978 tonnes. Illustrating that working from home has a significant impact on reducing our carbon footprint.

Climate Change Working Group

A climate change working group has been convened and has developed an Environmental and Sustainability Policy. The group will now propose targets, develop an action plan and communication plan to implement the policy.

David Harvie

Accountable Officer

The Accountability Report

Directors' report

Overview

This overview provides a short summary outlining the purpose of the Crown Office and Procurator Fiscal Service (COPFS) and key risks to the achievements of its objectives.

COPFS is the sole public prosecution authority in Scotland prosecuting cases independently, robustly, fairly and effectively in the public interest.

The Lord Advocate is the senior **Scottish Law Officer**. Her position as head of the systems of criminal prosecution and investigation of deaths is enshrined in the Scotland Act 1998 and she exercises that responsibility independently of any other person. All prosecutions on indictment run in the Lord Advocate's name. The Lord Advocate also has a number of statutory functions, including in relation to extradition and mutual legal assistance with other jurisdictions.

COPFS has the duty to investigate all deaths which require further explanation and is responsible for deciding whether criminal proceedings or a Fatal Accident Inquiry should be held, and for conducting such proceedings and inquiries.

Responsibility for investigating allegations of criminal conduct against police officers also rests with COPFS with prosecution being undertaken on the instruction of Crown Counsel.

COPFS's Proceeds of Crime and Civil Recovery Units investigate and recover proceeds of drugs trafficking and other serious crime.

COPFS also provides a Victim Information and Advice Service across Scotland.

COPFS works closely with other criminal justice organisations to help make Scotland a safer place and plays a pivotal role in maintaining the security and confidence of all communities across Scotland in the prosecution system – making the criminal justice system more accessible and more responsive. The core values of COPFS are impartiality, integrity, sensitivity, respect and professionalism.

COPFS has a Strategic Plan which is underpinned by a number of other strategies and plans which are designed to ensure that the Strategic Plan is achieved. These include:

People
Strategy

Financial
Strategy

Digital
Strategy

Estates
Transformation
Strategy

Learning and
Development
Strategy

Procurement
Strategy

Medium Term
Financial Plan

Annual Business
Plans

The Scotland Act 1998 – section 57(2) came into force on 20 May 1999 and embedded the European Convention on Human Rights into Scottish Law. Our prosecution code states the following:

“The Human Rights Act 1998 and the Scotland Act 1998 in general require Scottish prosecutors to act in a way which is compatible with the European Convention on Human Rights and European Union Law. Prosecutors will also have regard to relevant international obligations in accordance with the decision in the House of Lords in *Whaley v. Lord Advocate* 2008 SC (HL)107.”

When developing prosecution policy, consideration is always given to the human rights of victims, witnesses and accused persons. We consider judgements from the European Court of Human Rights and consult widely on our prosecution policies and processes to ensure a balanced approach which meets our obligations in terms of the Convention. New policies and all project work within COPFS undergo Equality Impact Assessments to ensure that the proposed changes meet the needs of the diverse communities in Scotland.

COPFS works closely with a range of stakeholders including the Scottish Government, Police Scotland and the Scottish Courts and Tribunals Service.

The Victim Information and Advice (VIA) Modernisation Programme will streamline business processes, strengthen and improve partnership working with key external agencies, and link into the work of the Scottish Government Victims Taskforce to also improve the level of service provided to victims, witnesses and next of kin.

Our priorities

COPFS’ priorities contribute directly to the outcomes of the Scottish Government’s Justice Vision and Priorities in which the vision is of a safe, just and resilient Scotland. This aims to deliver a justice system that contributes positively to a flourishing Scotland, helping to create safe, cohesive and resilient communities, in which prevention and early intervention improve wellbeing and life chances and systems and interventions are proportionate, fair and effective. We do this by working collaboratively with other parts of the justice system to deliver this overarching justice vision.

In 2021-22 our priorities and objectives are detailed in the Performance review and remained valid throughout the COVID-19 pandemic.

Our published targets are set by the Law Officers and are monitored regularly by the Operational Performance Committee of the Executive Board, with corrective action put in place should it appear that delivery of the targets might be at risk.

Delivering our objectives

COPFS has an operational structure designed to ensure that the focus remains on the delivery of our objectives and a high quality service for the people of Scotland. COPFS is divided into three Functions, each led by a Deputy Crown Agent:

Local Court

Comprising Initial Case Processing and all prosecutions in the Sheriff and Justice of the Peace Courts;

Serious Casework

Comprising the High Court Unit, Appeals Unit, the Scottish Fatalities Investigation Unit, Proceeds of Crime Unit and other specialist Units; and

Operational Support

Comprising Business Services, covering Information Services, Human Resources, Estates, Finance and Procurement, and Policy and Engagement.

The governance structure, with the Executive Board, chaired by the Crown Agent and Chief Executive, focuses on strategic decision-making with more routine decision-making delegated to three Committees of the Board: the Operational Performance, the Business Process Improvement and Resources Committees. These Committees are responsible for delivering the Objectives and those strategies supporting delivery.



This structure allows us to focus on ensuring that we can continue to deliver improving levels of service, investigate and present cases in court effectively, secure best value and provide a better environment for staff. We have done this in a number of ways:

- a. We have been seeking to reduce non-staff running costs as far as possible and improve efficiency in order to minimise any impact on our staff numbers. 77% of the Service's 2021-22 budget (excluding litigation costs) was spent on payroll costs, up from 75% in 2020-21. Our largest non-staff costs are our estate and forensic pathology. We continued to secure Best Value in both by taking opportunities to rationalise or share our estate and to restructure contracts with our forensic pathology providers;
- b. Digital technology provides the opportunities to further transform the delivery of user-focussed services and to improve the way our organisation works. We have already made significant strides towards delivering digitally, including digitally equipping the organisation to function effectively and supporting remote and new agile ways of working; to electronically exchange data with the Police Service of Scotland and COPFS and with defence agents, the courts, the National Health Service (NHS) (for medical records and reporting deaths); and for our digital casework systems to process, manage and present cases in court. Our Digital Strategy underpins further work and innovation to maximise our use of digital technology to improve the way we work and to transform public-facing services, including services to support victims and witnesses, disseminate information to defence agents and other digital technology-enabled service improvements. We also continue enhancing our digital systems infrastructure and business resiliency capabilities;
- c. We are continually reviewing contracts to identify the scope for savings there might be, whether through improved contract management, new contracts or re-letting contracts;
- d. Whilst there were no compulsory redundancies in 2021-22, in line with the Scottish Government's policy, in line with our medium-term financial planning, we replaced all relevant staff that left the Service voluntarily through natural turnover during 2021-22;
- e. We promoted the wellbeing of our staff by continuing the implementation of the Future ways of Working project to promote more flexible working arrangements for our staff, including the launch of the Agile Working Policy; and
- f. We supported the COVID-19 pandemic-reduced court capacity and progressed as many cases as possible through digital means such as virtual courts, electronic interchange with related parties and contributing towards the development of the Court Recovery Programme post-COVID-19 pandemic.

Constraints

There are a number of constraints that have to be taken into account:

- a. COPFS must comply with the Scottish Government public sector pay policy, including the commitment to no compulsory redundancies;
- b. The inflation rate is forecast to increase, and costs in some sectors, notably information technology, are currently forecast to increase at a substantially higher rate;
- c. The COPFS caseload is demand-led with time limits for action set by statute or policy, although these were revised in light of the COVID-19 pandemic; and
- d. Given the medium-term outlook for public expenditure it is expected that further year-on-year real terms reductions in resources will be required following the 2021-22 budget.

Details of Ministers, Directors and Senior Officers

COPFS Ministers and their responsibilities were:

Lord Advocate, Rt Hon Dorothy Bain QC, **Senior Scottish Law Officer**, Head of the systems of criminal prosecution and investigation of deaths in Scotland.

Solicitor General, Ms Ruth Charteris QC, **Deputy to Lord Advocate**.

The Executive Board

The Executive Board met 8 times during the year. The number of meetings attended by each member of the Board is shown below.

Members of the Executive Board during the year were:

Name	Role	Number of meetings attended during the year
David Harvie	Crown Agent and Chief Executive – Accountable Officer (Chair)	8/8
Stephen McGowan	Deputy Crown Agent Serious Casework	8/8
Lindsey Miller	Deputy Crown Agent Operational Support	7/7
John Logue	Deputy Crown Agent Local Court	7/8
Anthony McGeehan	Deputy Crown Agent Operational Support	1/1
Ian Walford	Deputy Chief Executive	6/7
Keith Dargie	Head of Business Services	1/1
Robert Tinlin	Non-Executive Director	7/8
John Cooper	Non-Executive Director	6/6
Fiona McLean	Non-Executive Director	8/8
Annie Gunner Logan	Non-Executive Director	8/8
David Watt	Non-Executive Director	2/2
Vanessa Davies	Non-Executive Director	2/2

* Number of meetings attended/Number of meetings planned due to date of members leaving or joining the Executive Board.

Non-Executive Directors

Non-Executive Directors (NXDs) bring an external perspective to the consideration of corporate management issues such as staffing, planning, budget monitoring, training and development, accommodation strategy and relations with stakeholders.

The executive board includes a number of NXDs, the Risk Management Group is chaired by a NXD and the COPFS and QLTR Audit and Risk Committee comprises three NXDs.

NXDs who served during 2021-22 are detailed below:

Non-Executive Directors	Period of Services	Register of interests
Annie Gunner Logan	Appointed a NXD by the Permanent Secretary on 1 April 2017 and has been a member of the Executive Board as a COPFS NXD from 13 February 2019. Appointed as an NXD by the Crown Agent in January 2022 and is a member of the Executive Board and Business Process Improvement Committee.	<ul style="list-style-type: none"> • Non-executive member of the Board of NHS Education for Scotland since November 2021 • Scottish Government non-executive director since 2014 • Chief Executive, CCPS (Coalition of Care & Support Providers in Scotland)
Robert Tinlin	Appointed a NXD on 1 January 2018 by the Crown Agent and is a member of the Executive Board. He took over as Chair of the Audit and Risk Committee in May 2018 and is a member of the Operational Performance Committee.	<ul style="list-style-type: none"> • Director of Towler Tinlin Associates Limited • Non-executive Board Member of the Comptroller and Auditor General for Jersey Board of Governance • Interim Chief Executive, Uttlesford District Council (July – Oct 2021)
John Cooper	Appointed a NXD by the Crown Agent on 1 January 2018 and is a member of the Executive Board and the Resources Committee; Left December 2021.	<ul style="list-style-type: none"> • Trustee of the William and Elizabeth Davies Charitable Trust

Non-Executive Directors	Period of Services	Register of interests
David Watt	Appointed a NXD by the Crown Agent on 1 January 2018 and is a member of the Audit and Risk Committee and chairs the Risk Management Group; David joined Executive Board in January 2022.	<ul style="list-style-type: none"> • Independent member of Audit & Risk Committee at University of Glasgow • Trustee and chair of Audit Committee at Quarriers • Member of Board of Management and chair of Audit Committee at Glasgow Clyde College • Member of Scottish Parliamentary Corporate Body Advisory Audit Board • Member of the Advisory Audit Boards of the Scottish Public Services Ombudsman, Commissioner for Ethical Standards in Public Life in Scotland, Scottish Biometrics Commissioner, Scottish Human Rights Commission, Scottish Information Commissioner • Trustee of various component entities of The Church of Scotland

Non-Executive Directors	Period of Services	Register of interests
Fiona McLean	Appointed a NXD by the Crown Agent on 1 January 2018 and is a member of the Executive Board and Resources Committee;	<ul style="list-style-type: none"> • Non-executive director at Cairngorms National Park Authority • Chair and non-executive director at Highland Home Carers (until July 2021) • Non-executive director at Historic Environment Scotland • Rector of the University of the Highlands and Islands (from August 2021) • Member of the Committee for Scotland of the National Heritage Lottery Fund (from November 2021)
Vanessa Davies	Appointed a NXD by the Crown Agent on 1 January 2019 and is a member of the Audit and Risk Committee and Risk Management Group. Vanessa joined Executive Board in January 2022.	<ul style="list-style-type: none"> • Trustee at General Medical Council; • Lay member at House of Lords Conduct Committee • Trustee at Law for Life • Governing Bencher at the Honourable Society of the Inner Temple • Board member at Quality Assurance Agency for Higher Education • Decision maker for complaints against Ministers and former Ministers, Scottish Government

Governance statement

Purpose of the governance statement

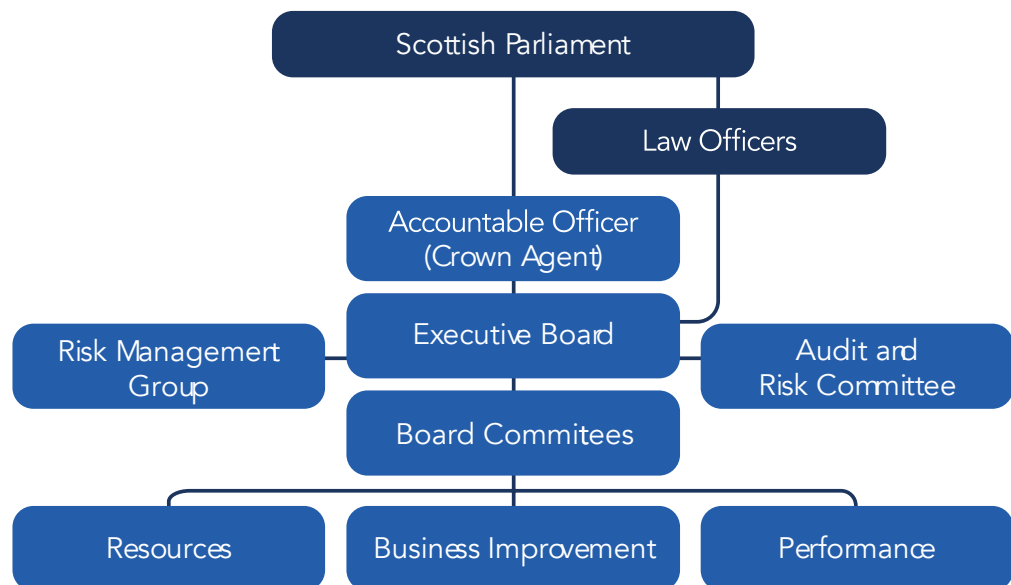
The Governance Statement is intended to not only outline the COPFS governance framework but to comment on its effectiveness.

Scope of responsibility

As Accountable Officer for COPFS (under the terms of the Public Finance & Accountability (Scotland) Act 2000), I am responsible for ensuring that appropriate arrangements are in place for governance and that these arrangements support the Scottish Government's Purpose and the achievement of Scottish Ministers' policies, aims and objectives. This includes maintaining an adequate and effective system of internal control, which supports the achievement of COPFS's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible in accordance with the responsibilities assigned to me.

COPFS's governance framework

COPFS's Governance Framework comprises the systems, processes, culture and values by which it is directed and controlled. It enables the organisation to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The framework structure is, as described below.



COPFS complies with the principles of corporate governance as outlined in the Scottish Public Finance Manual, the Civil Service Code; relevant elements of the Good Governance Standard for Public Services produced by the Independent Commission on Good Governance in Public Services.

The Scottish Public Finance Manual (**SPFM**) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. The SPFM is supplemented, within COPFS, by the Finance Manual – Making the Most of Our Money booklets which provide more detailed guidance relevant to COPFS.

Law Officers

The Law Officers set the strategic priorities for COPFS, set prosecutorial priorities and approve the Strategic Plan and Objectives for COPFS. The Lord Advocate is the senior Scottish Law Officer. The Lord Advocate is head of the systems for the prosecution of crime and investigation of deaths in Scotland; and exercises those functions independently of any other person. All prosecutions on indictment run in the Lord Advocate's name. The Lord Advocate also has a number of statutory functions, including in relation to extradition and mutual legal assistance with other jurisdictions.

Crown Agent

The Crown Agent is Head of Service and accountable to the Law Officers for the delivery of efficient and effective prosecution of crime and investigation of deaths, in accordance with their priorities and prosecutorial policies. The Crown Agent is the Accountable Officer for COPFS and, as such, is answerable to the Scottish Parliament for the regularity and propriety of COPFS' finances and the stewardship of public monies.

Executive Board

The Executive Board provides strategic leadership to COPFS and is collectively responsible for delivering COPFS's vision, aim and objectives. The Executive Board included six Non-Executive Directors over the year and its role is the provision of advice, challenge, support and assurance to the Crown Agent, with a focus on:

- performance and outcomes;
- people and capability;
- finance and risk;
- organisational efficiency;
- corporate wellbeing; and
- COVID-19 pandemic recovery.

The Executive Board has the following 3 Sub-Committees, each chaired by a Deputy Crown Agent and each committee includes a Non-Executive Director.

The Resources Committee

Responsible for ensuring resources are managed properly across the Service. The Committee includes Finance, Human Resources and Estates and has a sub-committee looking at workforce planning.

The Business Process Improvement Committee

Responsible for monitoring project and programme delivery, in particular the Improvement Programme, major investment projects and policy changes.

The Operational Performance Committee

Responsible for the oversight of performance and delivery of targets, including implementation and reaping the full benefits of the Improvement Programme and wider justice system initiatives, delivery and efficiency of front-line operations and coordination of engagement with key stakeholders.

Additional Committees

The Audit and Risk Committee (ARC)

The ARC, which comprises three Non-Executive Directors, supports the Accountable Officers (COPFS and QLTR) in their responsibilities for issues of risk, control and governance over their respective organisations. The ARC is chaired by a Non-Executive Director.

Each year the ARC meets quarterly with additional meetings to consider and approve the annual accounts. The Committee met five times during 2021-22. A member of the ARC attends the Executive Board, providing feedback on the last ARC meeting.

Risk Management Group (RMG)

The RMG is responsible for ensuring that risk is managed at corporate level and below. It is chaired by a Non-Executive Director and includes a senior representative from each function. The meeting cycle is aligned to the Audit and Risk Committee meetings and reviews each risk on a rolling programme in conjunction with the relevant risk owner, who attends RMG for that purpose. Page 22 provides more details on the risks faced by the organisation.

Data security framework

Given the nature of COPFS's business, data security is one of the most significant risks that the organisation faces, COPFS has policies and related guidance on information risks to ensure that it meets prescribed information assurance standards and requirements. Strategic risks incorporate this significant risk. All security incidents are reported to the Departmental Security Committee. Any which could result in the loss or potential loss

of data are dealt with in accordance with COPFS Policies and Procedures. Staff training and relevant disciplinary procedures are in place to underpin COPFS's data security framework.

Counter fraud activity

Fraud, including the misuse of data, is another key risk which is incorporated into the strategic risks. COPFS has a whistle-blowing framework, which explains to staff what they should do in the event that they have concerns. This is outlined in Making the Most of our Money Booklet Number 10 – Fraud and Whistle Blowing, and provides the contact details of an independent (Scottish Government) contact as well as those of senior COPFS staff.

COPFS also participated in the last National Fraud Initiative exercise led by Audit Scotland and will continue to do so going forward.

Internal Audit

Each year a programme of internal audit work is conducted by the Scottish Government Internal Audit Directorate. The annual audit plan is agreed by the Audit and Risk Committee ahead of the start of the financial year.

In financial year 2021-22 SG Internal Audit completed three main audits which were:

- a. COVID: Impact of Staff Wellbeing and Morale;
- b. Case Management – Capability and Capacity; and
- c. Future Ways of Working

The final Annual Assurance Report was presented at the May 2022 Audit and Risk Committee meeting and the overall opinion on COPFS risk management, control and governance arrangements during the year was Reasonable Assurance.

Each audit provides a level of assurance ranging from Insufficient to Substantial. These are reviewed and discussed at the Audit and Risk Committee. The levels of assurance show the following:

- Insufficient Assurance – controls are not acceptable and have notable weaknesses;
- Limited Assurance – controls are developing but weak;
- Reasonable Assurance – controls are adequate but require improvement; and
- Substantial Assurance – controls are robust and well managed.

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 Board considers the direction of COPFS's planned changes and operational performance;
- An Audit and Risk Committee whose membership is comprised entirely of Non-Executive Directors, one of whom chairs the meetings and reports to the relevant Scottish Government Audit and Assurance Committee on any significant problems with wider implications;
- An annual Assurance Mapping exercise is carried out annually and reported to Audit Risk Committee. Assurance Mapping is a structured means of identifying and mapping the main sources and types of assurance, across four lines of defence, and coordinating them to best effect. The framework provides sufficient, continuous and reliable evidence of assurance over 15 disciplines on organisational stewardship and the management of the major risks to organisational success and delivery of improved, cost effective services. Each level of assurance for every area is RAG (red, amber, green) rated and for 2021-22 all levels and areas of assurance were assessed as Green (effective) ratings;
- A comprehensive set of Certificates of Assurance and supporting checklists which did not include any issues of note which were not addressed. These were provided by each of the Function Leaders and Corporate Services Group Directors/Heads. Certificates are supported by an Internal Control Checklist which covers 14 areas of control e.g. Financial Management, Risk Management, Fraud Prevention and Detection. All Certificates of Assurances were received with no significant failings noted that had not been addressed;
- The work of our internal auditors, who submit to the Audit and Risk Committee regular reports which include Internal Audit's independent opinion on the adequacy and effectiveness of COPFS's systems of internal control together with recommendations for improvement; and
- Comments made by the external auditors in their management letter and other reports.

Appropriate action is in place to address any weaknesses identified and to ensure the continuous improvement of the system.

Significant governance issues

During 2021-22 there were a total of 8 breaches involving personal data and data handling, 4 of which were considered as security breaches and were reported to the ICO. All breaches were dealt with in accordance with COPFS Disciplinary Policies and Procedures. There are no further actions or fines from ICO related to the reported governance issues.

Conclusion

Overall in 2021-22 no other significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards of good governance, risk management and control. The systems have been in place for the year under review and up to the date of approval of the annual report and accounts. As Accountable Officer, I am satisfied with the adequacy of the internal control and governance arrangements of COPFS.

Under the terms of the Public Finance & Accountability (Scotland) Act 2000 there is a statutory duty on the Principal Accountable Officer and designated Accountable Officers to obtain written authority from, as the case may be, Ministers or governing boards before taking any action which we consider to be inconsistent with the proper performance of our functions as Accountable Officers.

No such written authority was required during the 2021-22 financial year, or the period up to signature of the accounts.

Statement of the Accountable Officer's responsibilities

Under the Accounts Direction issued in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, COPFS is required to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by COPFS 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 COPFS and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Crown Agent and Chief Executive, as the Accountable Officer, is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Scottish Ministers in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 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 as set out in the Government Financial Reporting manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary has appointed the Crown Agent as Accountable Officer of COPFS. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding COPFS's assets, are set out in Managing Public Money published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that COPFS's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

David Harvie

Accountable Officer

Remuneration and Staff Report

Remuneration and staff report

Remuneration policy

COPFS has a separate pay bargaining unit within the Scottish Government and negotiates pay levels within guidance and limits determined by Scottish Government pay policy for posts excluding those of the Senior Civil Service. The level of remuneration received by all members of staff is dependent on satisfactory performance. The standards required are outlined in our performance management system and staff are appraised on an ongoing basis with formal in-year and year-end reviews. All staff are subject to performance appraisal

In 2021, the Scottish Government agreed to provide funding to address pay parity between COPFS and the Scottish Government. The pay parity agreement will be implemented over a 3-year period with the year one payment effective from 1 April 2021.

Employment policies

Staff relations and equal opportunities

COPFS is an equal opportunities employer. Policies are in place to promote equality and diversity and to avoid discrimination and unfair treatment.

We are committed to applying equality and diversity principles for our staff and our service users. We are committed to building a workforce of people with a wide range of backgrounds, perspectives, and experiences, who are valued for their unique contributions in an environment, that is respectful and free of discrimination, harassment or bullying.

COPFS adheres to the Civil Service Recruitment Principles and is regularly audited by the Civil Service Commission.

We continue to work closely with our staff equality Networks taking advice and insight as to how we can achieve our aspiration to have a workforce that is truly representative of the population of Scotland. This has informed the COPFS Recruitment and Diversity Strategy with recruitment documentation under continual review to maintain inclusivity both in terms of format and places where published.

We continue to build on improvements to mainstream and embed diversity and inclusion by developing and testing improvements in recruitment and wellbeing support, particularly in terms of disability and race. This has been assisted by the introduction of a specific team within our HR Directorate focussing solely on diversity, inclusion and well-being.

We continue to develop and implement our business plans with inclusion an integral element. The Equality Board, which is chaired by a Deputy Crown Agent, meets quarterly. This board shares good practice around diversity and inclusion at both a local and national level ensuring that this is embedded into our day to day processes and practices.

The number of employees identifying as BAME or other ethnic background has increased from 3.22% employees in March 2021 to 3.69% as at 31 March 2022. We continue to monitor recruitment and retention outcomes to measure the success of our policies.

COPFS is a 'Disability Confident' employer, as at 31 March 2022 there were 132 (5.61%) employees declaring a disability which is higher than the 103 (5.10%) reported as at 31 March 2021. One of the support features for employees with a disability, whether to support mental or physical health, disability or well-being, is our Workplace Adjustment Passport – this ensures that employees with agreed reasonable adjustments who move to different areas of the business or team can do so without having to re-explain or renegotiate adjustments previously agreed.

The average number of days lost due to sickness absence in 2021-22 was 10.9 days per employee. We recorded 6.6 days in 2020-21 and 10.2 days in 2019-20. This is analysed and discussed by senior management and the Corporate Health and Wellbeing Committee routinely. It is difficult to make a comparison over the last few years due to the direct impact of the COVID-19 pandemic but this will remain under continual review taking into account emerging data. Following consultation our new 'maximising attendance' policy was launched in June 2021. This policy was developed for managing sickness absences that is proactive, focused on wellbeing and sensitive to the needs of the individual. COPFS have also signed up to the **Dying to Work Charter** supporting colleagues should this eventuality occur.

In September 2021 we increased our **ENEI Tide Benchmarking** (Employers Network for Equality and Inclusion) accreditation from bronze to silver.

We make significant investment in the development of all our staff. Development and learning is quality assured and, whenever possible, externally accredited.

Employment of Disabled People

COPFS adheres to the Civil Service Recruitment Principles and good practice in employing disabled people. As such, our practice is regularly audited by the Civil Service Commission. We are part of the Positive about Disabled People scheme. The average number of disabled employees employed by COPFS in 2021-22 was 132 (2020-21: 103). We use a Workplace Adjustment Passport (WAP) to support our colleagues. The WAP captures all workplace adjustments for COPFS employees who need them, whether to support mental or physical health, disability, or wellbeing.

Employee Consultation and Communication

COPFS is committed to communicating effectively with, and engaging, its employees. The 3-year COPFS Employee Engagement Strategy was published in August 2020 and is based on the 'engaging for success' model, which identified "four enablers of employee engagement":

- a strong strategic narrative
- engaging managers
- employee voice
- organisational integrity.

These are COPFS' engagement principles.

COPFS aims to keep communications simple, relevant, and clear. We take advantage of available technology to ensure the most appropriate channel is used. In 2021-22 we have begun to use Connect, our new and accessible intranet. We have also started to use our new corporate social platform, Yammer.

COPFS works in partnership with its employees, staff equality networks, and trade unions to create an inclusive environment where the COPFS values of being professional and showing respect are reflected in the actions of all employees. The achievements of equality networks and ambassadors, and individual contributions to equality innovation and community engagement outreach were recognised at COPFS' third annual Equality Conference in November 2021. There were 21 nominees for the John Dunn award for demonstrating genuine care and thoughtfulness towards a colleague or colleagues.

COPFS employees continued to cope well with the challenges presented by the coronavirus pandemic. Learning from the pandemic was incorporated into the Agile Working Policy, launched in October 2021. The policy was developed through extensive consultation with employees, managers, trade union partners and Future Ways of Working Champions and offers employees more flexibility and choice about where and when they work.

Service Contracts/Appointments

Executive Directors of the Executive Board

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Further information about the work of the Civil Service Commissioners can be found at **Civil Service Commission**.

The appointment of the Crown Agent and Chief Executive was approved by the Permanent Secretary of the Scottish Government. The appointment is for an indefinite period under the terms of the Senior Civil Service contract and may be terminated under the terms of the Civil Service Management Code.

The staff members of the Executive Board covered by this report hold appointments which are open-ended. The rules for termination are set out at Chapter 11 of the Civil Service Management Code. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Pensions

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded, multi-employer, defined benefit scheme as permitted under IAS 19, but COPFS is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (<http://www.civilservicepensionscheme.org.uk>).

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career scheme (nuvos) with a normal pension age of 65.

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, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 transitioned into alpha between 1 June 2015 and 1 February 2022. All members who moved into alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.)

Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension in return for a lump sum up to the limits set by the Finance Act 2004.

In 2018, the Court of Appeal found that some of the rules put in place back in 2015 with the introduction of alpha were discriminatory on the basis of age. This was because existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in their original scheme after 1 April 2015 (as detailed above). As a result of the judgement, steps were taken to remove the discrimination found by the court in the way the 2015 reforms were introduced. Active members who were in their original schemes were moved to the alpha scheme on 1 April 2022. This officially marks the end of the discrimination identified in court judgement.

Those affected by the 2015 Remedy will be offered a choice at retirement on how they would like their benefits to be calculated for their service between April 2015 and March 2022. The choice will be between their legacy scheme (sections of the PCSPS) or the alpha scheme benefits.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension that the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.

Further details about the Civil Service pension arrangements can be found at the website: www.civilservicepensionscheme.org.uk

For 2021-22, employers' contributions of £20,946,857 were payable to the PCSPS (2020-21: £18,033,167) at one of four rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2021-22 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account e.g. a stakeholder pension with an employer contribution. Employers' contributions paid in 2021-22 were £67,335 (2020-21: £57,843). Employer contributions are age-related and range from 8% to 14.75% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £2,497 (2020-21: £2,132), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

A new defined contribution scheme with Legal and General was introduced in March 2019 but backdated to September 2013 to cover a specific group of staff (Advocate Deputies) who are not civil servants but holders of a commission from the Lord Advocate and therefore are not entitled to join the usual schemes. We are responsible for arranging a pension scheme and contributions for them, therefore the introduction of the new scheme. Employers' contributions of £45,211 were paid in 2021-22 (2020-21: £34,726).

Contributions due to the partnership pension providers at the balance sheet date were £ 1,881,598 (31 March 2021: £1,575,595). Contributions prepaid at that date were nil (31 March 2021: nil).

Remuneration

Salaries

'Salary' includes gross salary; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. The salary detailed reflects the salary for the period of the year the individual was a member of the Executive Board.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty's Revenue and Customs as a taxable emolument.

Bonuses

In line with Scottish Government pay policy no bonus/performance pay was paid during 2021-22 or 2020-21.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is an actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension 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.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own expense. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV

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

The CETV information for inclusion in the accounts was provided by MyCSP. The CETV opening/closing positions are as per the dates shown in the salary table below for those joining/leaving the scheme.

Remuneration of Non-Executive Directors

Our Non-Executive Directors are non-salaried but receive a fee and expenses in line with their duties. The current fee is £237 per day (2020-21: £237) although the NXDs only claim £232 per day (in line with rates paid by the core Scottish Government).

Trade Union Facility Time

Trade Union Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake Trade Union duties and activities as a Trade Union representative. The following tables shows the resource commitment of COPFS staff for 2021-22:

Relevant Union Officials

Number of employees who were relevant Union Officials	Full-time equivalent employee number
28	2.83

Percentage of time spent on facility time

Percentage of time	Number of employees
0 – 0.99%	19
1 – 51%	6
51 – 99%	1
100%	2

Percentage of pay bill spent on Facility Time

	Value in £ and %
Total Cost of Facility Time	£132,401
Total Pay Bill	£114,256,000
% of total pay bill spent on facility time	0.12%

Paid Trade Union Activities

	%
Time spent on Trade Union activities as a percentage of total paid Facility Time hours	100%

Ministers Salaries

The salary, pension entitlements and value of any taxable benefits in kind for the Ministers of COPFS for the year ending 31 March 2022 were as follows:

	Salary £	Salary £	Benefits in Kind Nearest £100	Benefits in Kind Nearest £100	Pension Benefits (to nearest £000)	Pension Benefits (to nearest £000)	Total (to nearest £,000)	Total (to nearest £,000)
Officials	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
James Wolffe QC – Lord Advocate to 21st June	59,624	127,765	-	-	30,000	52,000	90,000	180,000
Dorothy Bain QC – Lord Advocate from 22nd June	89,790	N/A	-	-	39,000	N/A	129,000	N/A
Alison Di Rollo QC – Solicitor General to 21st June	51,446	110,241	-	-	8,000	45,000	59,000	155,000
Ruth Charteris QC – Solicitor General from 22nd June	77,475	N/A	-	-	38,000	N/A	115,000	N/A

Note:

** The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

The Scottish Parliamentary Corporate Body (SPCB) is required under Chapter 46, Section 81 of the Scotland Act 1998 to make provision for the payment of salaries to officeholders of the Scottish Parliament and Ministers. A resolution of the Scottish Parliament to pay salaries in accordance with the Scottish Parliamentary Scheme was passed by the Scottish Parliament on a free vote on 21 March 2002.

The Scheme determines that SPCB should decide the salary levels for Members and Office Holders including the Law Officers. The Scheme sets MSPs' salary levels and Ministerial salary levels from 1 April 2002 and determines that these salary rates should be increased annually from 1 April in line with the percentage increase in Westminster MPs' salaries.

Audited information

Pensions

The Ministers are members of the Scottish Parliamentary Pension Scheme.

	Accrued pension at age 65 as at 31 March 2022	Real increase in pension at age 65	CETV at 31 March 2022	CETV at 31 March 2021	Real increase in CETV
Ministers	£000	£000	£000	£000	£000
James Wolffe QC – Lord Advocate to 21 st June	15–20	0–2.5	302	265	32
Dorothy Bain QC – Lord Advocate from 22 nd June	0–5	2.5–5	43	N/A	32
Alison Di Rollo QC – Solicitor General to 21 st June	10–15	0– 2.5	250	234	12
Ruth Charteris QC – Solicitor General from 22 nd June	0–5	0– 2.5	30	N/A	25

Executive Directors

The Executive Directors' salaries are detailed below:

	Salary £000	Salary £000	Benefits in Kind Nearest £100	Benefits in Kind Nearest £100	Pension Benefits £000	Pension Benefits £000	Total £000	Total £000
Officials	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
David Harvie – Crown Agent and Chief Executive	130–135	130–135	-	-	36	85	165–170	215–220
Stephen McGowan – Deputy Crown Agent, Serious Casework	95–100	95–100	-	-	29	54	125–130	145–150
John Logue – Deputy Crown Agent Local Court	100–105	100–105	-	-	21	49	120–125	145–150
Lindsey Miller – Deputy Crown Agent, Operational Support	100–105	100–105	-	-	27	66	125–130	165–170
Anthony McGeehan – Deputy Crown Agent, Operational Support from 21st February 2022	5–10 (FTE 95–100)	N/A	-	N/A	39	N/A	45–50	N/A
Ian Walford – Deputy Chief Executive	80–85	80–85	-	-	-	44	80–85	120–125

	Salary £000	Salary £000	Benefits in Kind Nearest £100	Benefits in Kind Nearest £100	Pension Benefits £000	Pension Benefits £000	Total £000	Total £000
Officials	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Keith Dargie – Head of Business Services from 21st February 2022	5–10 (FTE 80–85)	N/A	-	N/A	5	N/A	10-15	N/A

Notes:

Remuneration for Senior Civil Servants is determined by the Senior Salaries Review Body.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

In 2021-22, 5 employees received remuneration in excess of the highest-paid director (2020-21:3) .

Anthony McGeehan joined the executive board on 21st February as a replacement for Lindsey Miller who was seconded to the Home Office. Keith Dargie joined the Executive Board on 21st February as a replacement for Ian Walford who retired.

Fair Pay Disclosure

COPFS is required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

	Movement
Highest Earning Directors Remuneration	0%
Average change in other Staff	2.60%

	2021-22	2020-21	Movement
Median Salary	31,581	31,094	1.57%
Ratio to highest paid Director	4.2:1	4.3:1	
25 percentile	23,498	22,356	5.11%
Ratio to highest paid Director	5.6:1	5.9:1	
75 percentile	47,485	49,606	(4.27%)
Ratio to highest paid Director	2.8:1	2.6:1	

NOTE:

The increase in average salary is due to an increase in the number of employees and overall pay from 2020-21 to 2021-22. The median pay increased from 2020-21 due to the increase in overall pay for COPFS employees compared to the highest paid Director. The 75 percentile has dropped due to the additional staff being employed. This is consistent with the COPFS pay, reward and progression policy.

Executive Directors' Pensions

The Executive Directors' pensions are detailed below:

Senior Managers	Accrued pension at pension age as at 31 March 22 and related lump sum (£000)	Real increase in pension and related lump sum at pension age (£000)	CETV at 31 March 2022 (£000)	CETV at 31 March 2021 (£000)	Real increase in CETV (£000)	Employer contribution to partnership pension account (Nearest £100)
David Harvie – Crown Agent and Chief Executive	50–55 plus lump sum of 90–95	0–2.5 plus a lump sum of 0	886	821	15	-
Stephen McGowan – Deputy Crown Agent, Serious Casework	30–35 plus lump sum of 55–60	0–2.5 plus a lump sum of 0	533	492	12	-
John Logue – Deputy Crown Agent Local Court	40–45 plus lump sum of 75–80	0–2.5 plus a lump sum of 0	720	675	5	-
Lindsey Miller – Deputy Crown Agent, Operational Support	40–45 plus lump sum of 75–80	0–2.5 plus a lump sum of 0	709	660	10	-
Anthony McGeehan – Deputy Crown Agent, Operational Support from 21st February 2022	30–35 plus lump sum of 55–60	0–2.5 plus a lump sum of 0–2.5	526	500	23	-
Ian Walford – Deputy Chief Executive	35–40 plus lump sum of 105–110	0–2.5 plus lump sum of 0	881	831	-3	-
Keith Dargie – Head of Business Services from 21st February 2022	40–45 plus a lump sum of 95–100	0–2.5 plus a lump sum of 0–2.5	882	875	4	-

Non-Executive Directors (NXDs) of the Executive Board

NXD remuneration is listed below:

Name	2020-21 Remuneration £000	2020-21 Benefits in Kind	2019-20 Remuneration £000	2019-20 Benefits in Kind
Vanessa Davies	0–5	-	0–5	-
Annie Gunner Logan	-	-	-	-
Robert Tinlin	0–5	-	0–5	-
John Cooper (Resigned December 2021)	5–0	-	5–10	-
David Watt	0–5	-	0–5	-
Fiona McLean	5–10	-	0–5	-

Staff Costs

Staff costs account for 77% of our cash running costs budget excluding litigation costs. But our staff are not just our biggest single cost, they are, by far, our single biggest asset. We simply could not have achieved what we have done without the commitment and professionalism shown by our staff. Staff costs comprise:

	Officials £000	Ministers £000	2021-22 Total £000	2020-21 Total £000
Wages and Salaries	84,039	278	84,317	73,462
Social Security Costs	8,626	31	8,657	7,276
Apprenticeship Levy	402	-	402	341
Other Pension Costs	20,680	48	20,728	17,856
Sub-Total	113,747	357	114,104	98,935
Inward Secondments	555	-	555	436
Early Departure Costs	(352)	-	(352)	858
Injury Benefit Claims	4	-	4	(2)
Agency, Temporary and Contract Staff	642	-	642	319
Sub-Total	114,596	357	114,953	100,546
Less Recoveries in Respect of Outward Secondments	(340)	-	(340)	(227)
Total	114,256	357	114,613	100,319

Note 1.

Ministers are paid by the Scottish Parliamentary Corporate Body.





Note 2.

2020-21 totals include Ministers salaries of £316,000.

The following table summarises some key information about our workforce:

Full-Time Equivalent for Staff	All staff 2021-22	All staff 2020-21	Male Staff 2021-22	Male staff 2020-21	Female staff 2021-22	Female staff 2020-21
Senior Civil Servants	22	23	13	13	9	10
Executive Board Directors	5	5	4	4	1	1
Other permanent staff	2,126	1,768	624	500	1,502	1,268
Fixed term appointments	60	78	17	28	43	50
Secondees	8	6	4	3	4	3
Agency staff	33	32	18	20	15	12
Sub-Total	2,254	1,912	680	568	1,574	1,344
Non-Executive Directors	6	6	3	3	3	3
Total	2,260	1,918	683	571	1,577	1,347

FTE Equivalent Table

		2021-22	2020-21
	FTE People	2,254	1,912
	Gender	Female 70% Male 30%	Female 70% Male 30%
	Board	Female 34% Male 66%	Female 33% Male 67%
	Trainees	Female 73% Male 27%	Female 65% Male 35%

Severance payments

Compensation for Loss of Office

In accordance with the Scottish Government's no compulsory redundancies policy, no employees left under compulsory severance terms during 2021-22 (2020-21: Nil).

Redundancy and other 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, in the year of agreement. Where the department 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 Civil Service Pension Scheme. There were no ill health retirements during 2021-22 (2020-21: 0).

Parliamentary Accountability Report

Parliamentary accountability report

Regularity of Expenditure

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.

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.

Fees and Charges

COPFS' main source of income comes directly as funding from the Scottish Government. A small element of income £2.05m is received through recharges for services to QLTR amounting to £0.82m and LINETS (Legal Information Network for Scotland) amounting to £0.99m. A further £0.24m was received during 2021-22 and £0.21m of this income was related to grant income. LINETS is a subscription service held by COPFS to provide access to legal information by Scottish legal practitioners across the public sector.

Long Term Trends

As part of the Medium-Term Financial Plan (MTFP) COPFS has carried out scenario analysis through to 2022-23. An updated Finance Strategy has published at the end of May 2021. We are continuing to assess workloads and staffing requirements, and to identify opportunities for savings within the organisation.

Losses and Special Payments

We have recognised £32.6m for losses in 2021-22 which includes £11.5m cash payments and £21.1m accruals and provisions (2020-21: £27.9m). There were no other special payments exceeding the reporting threshold of £300,000 during 2021-22 (2020-21: Nil).

David Harvie

Accountable Officer

Independent Auditor's Report

Independent auditor's report

Independent auditor's report to the Crown Office and Procurator Fiscal Service, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Crown Office and Procurator Fiscal Service for the year ended 31 March 2022 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and Notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021-22 Government Financial Reporting Manual (the 2021-22 FReM).

In my opinion the accompanying 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 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021-22 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.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the **Code of Audit Practice** approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 26 January 2018. The period of total uninterrupted appointment is five years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the **Audit Scotland website**.

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my 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.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been 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 Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

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 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Gillian Woolman MA FCA CPFA

Audit Scotland

102 West Port

Edinburgh

EH3 9DN

The Financial Statements

The Financial Statements

Statement of Comprehensive Net Expenditure (SoCNE)

For the year to 31 March 2022

	Notes	2021-22 £000	2020-21 £000
Administration Costs			
Staff costs*		114,256	100,003
Other Administrative Costs	2	63,383	65,006
Gross Administrative Costs		177,639	165,009
Operating Income Applied	3	(2,046)	(1,676)
Net Administrative Costs		175,593	163,333
Net Operating Costs for the year ended 31 March		175,593	163,333
Other Comprehensive Net Expenditure			
Items that will not be classified to net expenditure			
Net (gain)/loss on revaluation of property, plant & equipment		66	-
Total Comprehensive Expenditure for the year ended 31 March		175,659	163,333

*See staff costs breakdown on page 62

The notes on pages 80–102 form part of these accounts.

Statement of Financial Position

For the year to 31 March 2022

	Notes	31 March 2022 £000	31 March 2021 £000
Non-Current Assets:			
Property, Plant and Equipment	4	21,674	21,883
Intangible Assets	5	12,406	9,205
Total Non-Current Assets		34,080	31,088
Current Assets			
Trade and Other Receivables	6	5,828	5,055
Cash and Cash Equivalents	7	4,509	5,852
Total Current Assets		10,337	10,907
Total Assets		44,417	41,995
Current Liabilities			
Trade and Other Payables	8	(23,513)	(22,428)
Provisions	9	(25,448)	(17,701)
Total Current Liabilities		(48,961)	(40,129)
Total Assets less Current Liabilities		(4,544)	1,866
Non-Current Liabilities (> 1 year)			
Other Payables	8	(3,449)	(3,698)
Provisions	9	(334)	(395)
Total Non-Current Liabilities		(3,783)	(4,093)

	Notes	31 March 2022 £000	31 March 2021 £000
Total Assets less Total Liabilities		(8,327)	(2,227)
Taxpayers' Equity and Other Reserves			
General Fund		15,094	8,702
Revaluation Reserve	SoCTE*	(6,767)	(6,475)
Total Equity		8,327	2,227

***Note:** SoCTE is the Statement of Changes in Taxpayers' Equity (please see page 79)

The notes on pages 80–102 form part of these accounts.

The Accountable Officer authorised these financial statements for issue

David Harvie

Accountable Officer

Statement of Cash Flows

For the year ended 31 March 2022

	Notes	2021-2022 £000	2020-21 £000
Net Cash Outflow from Operating Activities	A	(161,112)	(149,876)
Net Cash Outflows from Investment Activities	B	(7,862)	(11,085)
Payments from/(to) the Scottish Consolidated Fund for income not applied		231	-
Cash flows from Financing Activities	C	167,400	156,500
Decrease in cash in the year		(1,343)	(4,461)
Note A – Cash Flows from Operating Activities			
Net Operating Cost		175,593	163,333
Adjust for non-cash transactions		(6,899)	(5,601)
Increase/(Decrease) in receivables and other current assets		773	(649)
(Increase)/Decrease in trade and other payables		(669)	(3,185)
(Increase)/Decrease in provisions		(7,686)	(4,022)
Net cash outflow from operating activities		161,112	149,876
Note B – Cash Flows from Investing Activities			
Purchase of property, plant and equipment		3,633	5,034
Purchase of intangible assets		5,536	4,083
(Increase)/Decrease in capital payables		(1,279)	1,969
Proceeds of disposal of property, plant and equipment		(28)	(1)
Net Cash outflow from Investment Activities		7,862	11,085
Note C – Cash flows from Financing Activities			
From Scottish Consolidated Fund		167,400	156,500
Surrender of excess capital receipts		-	-
Cash flows from financing activities		167,400	156,500
(Increase)/Decrease in cash and cash equivalents		1,343	4,461
Net Cash and Cash Equivalents requirement		168,743	160,961

The notes on pages 80–102 form part of these accounts.

Statement of changes in Taxpayers' Equity (SoCTE)

For the year ended 31 March 2022

	Notes	General Fund £000	Revaluation Reserve £000	Tax Payers Equity £000
Balance at 31 March 2020		(6,843)	6,881	38
Net Parliamentary Funding		156,500	-	156,500
Auditor's Remuneration	2	107	-	107
Comprehensive Net Expenditure for the year		(163,333)	-	(163,333)
Revaluation Gains and Losses		-	-	-
Movement of Balance with the SCF		4,461	-	4,461
Transfers between reserves		406	(406)	-
Balance at 31 March 2021		(8,702)	6,475	(2,227)
Net Parliamentary Funding		167,400	-	167,400
Auditor's Remuneration	2	109	-	109
Comprehensive Net Expenditure for the year		(175,593)	-	(175,593)
Revaluation Gains and Losses		(59)	700	641
Movement of Balance with the SCF		1,343	-	1,343
Transfers between reserves		408	(408)	-
Balance at 31 March 2022		(15,094)	6,767	(8,327)

The notes on pages 80–102 form part of these accounts.

Notes to the Accounts

Notes to the accounts

1. Accounting Policies

Period of accounts

This report and accounts are for the year ended 31 March 2022.

Basis of Accounts

These accounts have been prepared in accordance with the Accounts Direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 (reproduced at page 103) and in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM, apply International Financial Reporting Standards (IFRS) as adopted or interpreted for the public sector context.

The particular accounting policies adopted by COPFS have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts have been prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard (IAS) 8: Accounting Policies, Changes in Accounting Estimates and Errors. Changes in accounting policies which do not give rise to a prior year adjustment are reported in the relevant note. The fundamental accounting concepts of going concern and accruals have been applied consistently.

Basis of Accounting

The accounts of COPFS form part of the resource accounting departmental boundary of the Scottish Government and will be incorporated in the Scottish Government's Consolidated Accounts.

Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, and, where material, current asset investments and inventories at fair value as determined by the relevant accounting standard.

Going Concern

A going concern approach has been adopted in the preparation of these financial statements.

Change of Accounting Policies

There have been no changes to our accounting policies and there are no new reporting requirements for 2021-22.

Non-current assets

Property, Plant and Equipment (PPE)

Recognition

All PPE assets have been accounted for as non-current assets unless they are deemed to be held for sale.

Title to the freehold land and buildings shown in the accounts is held by the Lord Advocate as a Scottish Minister. From 1 April 1996 the Crown Office assumed responsibility as principal for this accommodation in its capacity as 'major occupier', pursuant to the reorganisation of the management of the Civil Estate. The property which COPFS occupies is therefore capitalised and appears on COPFS's Statement of Financial Position.

Valuation

Freehold land and buildings have been stated at fair value using open market value under a rolling 3-year programme of professional physical valuations, with desk top valuations/confirmation of carrying values in intervening years and a physical valuation exercise undertaken at the end of year 3. The valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual in so far as these terms are consistent with the agreed requirements of HM Treasury's Financial Reporting Manual.

From 1 April 2007 other non-current assets that have short useful lives or low values or both are no longer revalued using indices but are reported at depreciated historic cost as a proxy for fair value.

Losses in value reflected in valuations are accounted for in accordance with IAS 36, Impairment of Assets. Such losses are taken to the revaluation reserve to the extent of any previous gain and any further loss is charged to the Statement of Comprehensive Net Expenditure.

Capitalisation

The minimum levels for capitalisation of a property asset is £10,000 and per individual item of equipment is £5,000. Information and Communications Technology (ICT) systems are capitalised where the pooled value exceeds £1,000.

Subsequent cost

Subsequent costs are included in the asset's carrying amount only when it is probable that the future economic benefits associated with the item will flow to COPFS and the value can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Net Expenditure during the financial period during which they are incurred.

Intangible assets

Software (including licences), valued at cost, has been treated in the accounts as intangible and is amortised on a straight line basis over the expected life of the asset. Software under development is capitalised at cost and is not subject to depreciation until the asset is brought into use.

Future economic benefit has been used as the criteria in assessing whether an intangible asset meets the definition and recognition criteria of IAS 38 where assets do not generate income. IAS 38 defines future economic benefit as, 'revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity.'

Depreciation

Freehold Land is not depreciated.

Depreciation has been provided on straight line basis at a rate calculated to write off the valuation of freehold buildings and other property, plant and equipment by equal instalments over their estimated useful lives. Lives are normally in the following ranges:

Buildings	Not exceeding 55 years (based on valuation)
Telephone systems	Not exceeding 5 years
ICT Systems (Computers and Software)	Not exceeding 5 years
Vehicles	Not exceeding 5 years

Assets held for sale

An asset is derecognised and held for sale under IFRS 5 when the following requirements are met:

- It is available for immediate sale;
- A plan is in place, supported by management, and steps have been taken to sell the asset; and
- It is actively marketed and there is an expectation that the sale will be made in less than 12 months.

Assets held for sale include assets where COPFS intends and expects to sell within one year from the date of classification as held for sale. Assets classified as held for sale are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. Assets classified as held for sale are not subject to depreciation or amortisation. Impairment will be considered both at the time of classification as held for sale and subsequently.

Assets classified as held for sale will be presented separately on the face of the statement of financial position.

Operating income

Operating income is income which relates directly to the operating activities of COPFS. It includes income applied without limit and income applied within limit. For income categorised as being applied within limit any excess over that approved is surrendered to the Scottish Consolidated Fund (SCF). COPFS derives minimal levels of income from LINETS, recharging of services provided to QLTR and some recharging of property costs.

Income is recognised when COPFS is entitled to the funds; it is probable the income will be received and the amount can be measured reliably. Income received in advance of entitlement is recorded as deferred income until COPFS is entitled to the funds.

All income is accounted for net of Value Added Tax (VAT).

Government Grant Income

Grant Income from other sources is reported when it is receivable. If the funder of this grant income imposes conditions then the grant income is recognised when the grant conditions are met.

Government grant income is presented separately from related expenses.

Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. COPFS does not have any programme income or expenditure. Administration costs reflect the costs of running COPFS 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.

Parliamentary Funding

COPFS is largely funded by monies awarded via the Budget Bill which is passed by the Scottish Parliament. This is treated as grant rather than income. This method of presentation is intended to ensure transparency and clarity.

Employee Benefits

Retirement Benefits

Present and past employees are covered by the Civil Service Pension arrangements comprising the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servants and Others Pension Scheme. Both are unfunded, defined benefit, contributory, public service occupational pension schemes. It is not possible for COPFS to identify its share of the underlying liabilities in the scheme attributable to its own employees. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme. Departments, agencies and other bodies covered by these recognise the expected cost of providing pensions for their employees on a systematic and rational basis over the period during which it benefits from their services by payment to the PCSPS of amounts calculated on an accruing basis (relevant disclosures are reported in the Remuneration and Staff Report). Liability for the payment of future benefits is a charge to the PCSPS. There is a separate scheme statement for the PCSPS as a whole. Ministers are covered by the provisions of the Scottish Parliamentary Pension Scheme which is contributory and funded.

Short-Term Employee Benefits

A liability and an expense is recognised for holiday days, bonuses and other short-term benefits when our employees render service that increases their entitlement to these benefits. As a result an accrual has been made for employee benefits earned but not taken.

Provisions

Under IAS 37, provisions are recognised when:

- COPFS has a present or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate set by HM Treasury. The increase in the provision due to the passage of time is recognised as an expense.

Contingent Liabilities

A contingent liability is disclosed in the notes of the financial statements unless the possibility of the payment is remote.

Leases

Where COPFS bears substantially all of the risks and rewards of owning the leased item, it is accounted for as a finance lease under International Accounting Standard (IAS) 17: Leases. IAS17 does not set a quantitative test for assessing the transfer of risks and rewards of ownership. Finance leases are capitalised at the start of the lease term at the fair value of the leased asset, or if lower, the present value of future lease payments is used as a proxy for the purposes of the value of the asset and the associated financial liability. Property, plant and equipment and financial liabilities associated with finance leases are recognised and valued on the same basis as other property, plant and equipment and financial liabilities as set out in the relevant accounting policies.

Lease payments are apportioned between the finance charges and the lease liability in order to achieve a constant rate of interest on the remaining balance of the liability. Capitalised leased assets are depreciated over the shorter of the lease term and the estimated useful life of the asset.

Leases where most of the risks and rewards of ownership of the asset remain with the lessor are classified as operating leases. Rentals payable in respect of operating leases will be charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease.

Value Added Tax (VAT)

The majority of services provided by COPFS fall outside the scope of VAT. COPFS can recover VAT on certain contracted-out services. Income and expenditure are shown in the accounts net of VAT where this is recoverable.

Financial Instruments

COPFS has no material deposits and all material assets and liabilities are denominated in sterling. COPFS is therefore not exposed to significant interest rate or currency exchange risk.

The classification of financial assets is determined on initial recognition and comprises only receivables with fixed or determinate payments. Financial assets include other receivables and cash at bank in the Statement of Financial Position. Receivables are recognised at fair value less any provision for non-recovery, which is charged to the Statement of Comprehensive Net Expenditure. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or been substantially transferred from COPFS.

COPFS has no borrowings and relies primarily on funding from the Scottish Consolidated Fund for its cash requirements. COPFS is therefore not exposed to liquidity risks.

Financial liabilities are classified at the point of initial recognition and comprise trade and other payables. Financial liabilities are valued at fair value and derecognised when they have been extinguished i.e. discharged, cancelled, or expired.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, and bank overdrafts.

Trade Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Segmental Reporting

COPFS does not report on a segmental basis, but reports on a corporate basis with sub-analysis by objectives and business area as appropriate (see Page 18) of Performance Report). This is considered the most suitable method of reporting.

Critical Accounting Estimates and Judgements

The preparation of the accounts in conformity with IFRS requires the Accountable Officer to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the financial year 2021-22, the Accountable officer and the non-executive directors have made critical judgements which have been disclosed in the notes to the accounts.

The valuation of land and buildings is dependent on valuations carried out by external valuers. The valuations are based on number of assumptions related to the market performance and assets' useful lives as determined by the valuer.

Information about estimates in applying accounting policies that have the most significant effects on the amounts recognised in the accounts is as follows:

Early Retirement and Severance Costs

There are a number of staff who previously took early retirement where COPFS is required to meet the additional cost of benefits beyond the normal PCSPS benefits, that is monthly payments until the individual reaches 60 (when they receive normal PCSPS pension payments). COPFS provided in full for these costs when the decisions were made. In 2021-22 the HM Treasury discount factor was – 1.30% and the rate has been applied to the early severance provision (-0.95% in 2020-21). During 2018-19 the entitlement to severance payments was changed to a maximum of 21 months' salary. These payments take the form of a one-off lump sum which if not paid by 31 March 2022 was accrued. No members of staff left under the scheme during 2021-22. No member of staff left under the scheme during 2020-21.

Provision for Injury Benefit Payments

COPFS is required to meet the cost of payments made to ex-employees who took early retirement on medical grounds, until their death. For the basis of calculating this liability, it has been assumed that the average life expectancy is 75 years. The provision for injury benefit payments has been calculated on this basis with current levels of payment being adjusted for inflation and then reduced to reflect the timing of the payments.

Estimates for Provisions

The amount recognised as a provision is the best estimate of the expenditure to be incurred. COPFS have leasing agreements for a number of properties and according to these agreements there is an obligation to repair and maintain these properties. The provision for leasehold dilapidations is estimated based on the opinion of external surveyors. This provision is adjusted for the time value of money using the discount rates set by HM Treasury.

The provision for compensation claims is estimated based on assessment by external legal advisors e.g. Scottish Government Legal Department.

Impending application of newly issued accounting standards not yet effective

IFRS 16 Leases

IFRS 16; Leases will replace IAS17 Leases and related interpretations. The effective date is 1 January 2020 and will be applied in UK Public Sector from 1 April 2022, therefore financial year 2022-23.

IFRS 16 brings a significant change in lessee accounting by removing the distinction between operating and finance leases and introducing a single lessee accounting model. The model requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value.

The impact for COPFS is that all operating leases will be capitalised and treated similarly to the current finance leases. Discount rates will be supplied by HM Treasury in the annual PES papers which will be used by COPFS as COPFS does not have an incremental borrowing rate.

As the application of IFRS 16 is to be carried out on a cumulative catch-up basis, there will be no prior year adjustments made in the 2022-23 financial statements. The impact on the accounts for 2022-23 with current known leases which will transition to assets are as follows:

	Statement of Comprehensive Net Expenditure	Statement of Financial Position	
Year 1, 2022-23	£	£	£
Assets Value at 1 April 2022		4,197,932	
Depreciation year 1	741,989	(741,989)	
Asset Net Book Value at 31 March 2023			3,455,943
Lease creditor as at 1 April 2022		(4,222,866)	
Lease creditor release	(638,842)	638,842	
Lease creditor outstanding at 31 March 2023			(3,584,024)
Rental Payments	775,657		
Interest = difference between rental payments and lease creditor release			36,663

Note:

The above comprises property leases only.

2. Other administrative costs

Other Expenditure comprised of:

	2021-22 £000	2020-21 £000
Travel and Subsistence	314	97
Training	286	206
Accommodation	8,993	8,571
Legal Costs	29,267	39,818
Witness Costs	1,706	682
Supplies and Services	6,809	5,803
Other Staff and Office Costs	2,249	1,866
(Profit)/Loss on disposal of assets	11	(1)
Revaluation Adjustment	-	2
Sub-Total	49,635	57,044
Non-Cash Costs:		
Audit Fee	109	107
Provision utilised in year	(10,915)	(12,600)
Provision recognised in year	17,775	14,960
Impairment	1,394	693
Depreciation	5,385	4,802
Sub-Total	13,748	7,962
Total Administrative Costs	63,383	65,006

Note:

Within Other Administrative Costs for 2021-22 there were £Nil for non-audit services provided by the appointed auditor, Audit Scotland (2020-21: £Nil).

3. Operating income

Operating Income analysed by classification and activity as follows:

	Income Applied £000	Income Not Applied £000	2021-22 Total £000	2020-21 Total £000
Administrative income allowable within cost limit*:				
Queen's and Lord Treasurer's Remembrancer (QLTR) costs recharged	817	-	817	650
Legal Information Network for Scotland (LINETS) Subscriptions	991	-	991	914
Other Income applied	27	-	27	112
Grant Income	211	-	211	-
Sub-Total	2,046	-	2,046	1,676
Other Income (Treated as not applied)**				
Civil Recovery and Proceeds of Crime Income	-	2,643	2,643	2,276
Cash Seizures	-	2,728	2,728	3,258
Sub-Total	-	5,371	5,371	5,534
Total	2,046	5,371	7,417	7,210

* Retained Income limit per the Budget Act is £2,000,000 (2020-21 £2,000,000). The income limit does not apply to grant income.

** Collected on behalf of HM Treasury/Scottish Consolidated Fund.

4. Property, plant and equipment

2021-22	Land	Buildings	IT equip.	Telecomm- unications	Vehicles	Total
Cost or Valuation	£000	£000	£000	£000	£000	£000
As at 1 April 2021	1,325	32,069	10,741	3,638	646	48,419
Additions	-	3,007	543	83	-	3,633
Disposals	-	(402)	(2,164)	(743)	(117)	(3,426)
Revaluations	250	47	-	-	-	297
At 31 March 2022	1,575	34,721	9,120	2,978	529	48,923
Depreciation						
As at 1 April 2021	-	(18,431)	(4,553)	(3,113)	(439)	(26,536)
Charged in-year	-	(1,289)	(1,359)	(336)	(71)	(3,055)
Accelerated Depreciation (Note 2)	-	(1,394)	-	-	-	(1,394)
Disposals	-	402	2,136	741	113	3,392
Revaluations	-	344	-	-	-	344
As at 31 March 2022	-	(20,368)	(3,776)	(2,708)	(397)	(27,249)
Net Book Value						
As at 31 March 2022	1,575	14,353	5,344	270	132	21,674
As at 1 April 2021	1,325	13,638	6,188	525	207	21,883
Analysis of Asset Financing						
Owned	1,575	5,728	5,344	270	132	13,049
Leases	-	8,625	-	-	-	8,625
NBV at 31 March 2022	1,575	14,353	5,344	270	132	21,674

Note 1:

Freehold Land, buildings and Plant were professionally valued at 31 March 2022 by Avison Young at existing use open market value in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors. Properties have been valued as fully-equipped operational entities. The valuers were external to the organisation.

Note 2:

Funded by AME as reported in Note 2 under Impairment classification.

2020-2021	Land	Buildings	IT equip.	Telecomm- unications	Vehicles	Total
Cost or Valuation	£000	£000	£000	£000	£000	£000
As at 1 April 2020	1,325	30,436	9,862	3,536	527	45,686
Additions	-	1,633	3,152	130	119	5,034
Disposals	-	-	(2,273)	(28)	-	(2,301)
Revaluations	-	-	-	-	-	-
At 31 March 2021	1,325	32,069	10,741	3,638	646	48,419
Depreciation						
As at 1 April 2020	-	(16,663)	(5,748)	(2,800)	(360)	(25,571)
Charged in-year	-	(1,075)	(1,078)	(341)	(79)	(2,573)
Accelerated Depreciation	-	(693)	-	-	-	(693)
Disposals	-	-	2,273	28	-	2,301
Revaluations	-	-	-	-	-	-
As at 31 March 2021	-	(18,431)	(4,553)	(3,113)	(439)	(26,536)
Net Book Value						
As at 31 March 2021	1,325	13,638	6,188	525	207	21,883
As at 1 April 2020	1,325	13,773	4,114	736	167	20,115
Analysis of Asset Financing						
Owned	1,325	5,128	6,188	525	207	13,373
Leases	-	8,510	-	-	-	8,510
NBV at 31 March 2021	1,325	13,638	6,188	525	207	21,883

5. Intangible assets

	Software Developed In-House or by Third Parties	Software Licences	Websites	Development Expenditure	Total
2021-22	£000	£000	£000	£000	£000
Cost or Valuation					
At 1 April 2021	17,869	2,792	91	5,434	26,186
Additions	31	218	-	5,287	5,536
Disposals	(3)	(470)	-	-	(473)
Reclassifications	1,722	-	-	(1,722)	-
As at 31 March 2022	19,619	2,540	91	8,999	31,249
Amortisation					
At 1 April 2021	(14,272)	(2,618)	(91)	-	(16,981)
Charged in Year	(2,313)	(17)	-	-	(2,330)
Disposals	3	465	-	-	468
As at 31 March 2022	(16,582)	(2,170)	(91)	-	(18,843)
Net Book Value					
As at 31 March 2022	3,037	370	-	8,999	12,406
As at 31 March 2021	3,597	174	-	5,434	9,205
Analysis of Asset Financing					
Owned	3,037	370	-	8,999	12,406
Finance Leased	-	-	-	-	-
Contracts	-	-	-	-	-
NBV at 31 March 2022	3,037	370	-	8,999	12,406

	Software Developed In-House or by Third Parties	Software Licences	Websites	Development Expenditure	Total
2020-21	£000	£000	£000	£000	£000
Cost or Valuation					
At 1 April 2020	16,199	3,591	91	3,806	23,687
Additions	677	160	-	3,246	4,083
Disposals	(625)	(959)	-	-	(1,584)
Reclassifications	1,618	-	-	(1,618)	-
As at 31 March 2021	17,869	2,792	91	5,434	26,186
Amortisation					
At 1 April 2020	(12,701)	(3,544)	(91)	-	(16,336)
Charged in Year	(2,196)	(33)	-	-	(2,229)
Disposals	625	959	-	-	1,584
As at 31 March 2021	(14,272)	(2,618)	(91)	-	(16,981)
Net Book Value					
As at 31 March 2021	3,597	174	-	5,434	9,205
As at 31 March 2020	3,498	47	-	3,806	7,351
Analysis of Asset Financing					
Owned	3,597	174	-	5,434	9,205
Finance Leased	-	-	-	-	-
Contracts	-	-	-	-	-
NBV at 31 March 2021	3,597	174	-	5,434	9,205

6. Trade receivables, financial and other assets

	2022 £000	2021 £000
Amounts falling due within one year		
VAT	1,240	1,081
Other Receivables	1,428	726
Prepayments	2,660	3,076
Accrued Income	500	172
Sub-total	5,828	5,055
Intra-Government Balances		
Amounts falling due within 1 year		
Balances with other Central Government Bodies	2,406	1,434
Total: Intra-governmental balances	-	-
Balances with bodies external to government	3,422	3,621
Total receivables at 31 March	5,828	5,055

7. Cash and cash equivalents

	2022 £000	2021 £000
At 1 April	5,852	-
Net change in cash and cash equivalent balances	(1,343)	5,852
At 31 March	4,509	5,852
The following balances at 31 March were held at:		
Balances at Government Banking Services	3,779	5,490
Commercial banks and cash in hand	730	362
At 31 March	4,509	5,852

8. Trade Payables and other current liabilities

	2022 £000	2021 £000
Amounts falling due within one year		
Other taxation and Social Security Payables	(4,786)	(4,002)
Trade Payables	(2,009)	(213)
Other Payables	(621)	(285)
Accruals and Deferred Income	(11,339)	(11,852)
Current part of Finance Leases	(249)	(224)
Cash Seizures	-	-
Balances payable to the Scottish Consolidated Fund	(4,509)	(5,852)
Total due within one year as at 31 March	(23,513)	(22,428)
Amounts falling due after more than one year:		
Finance Leases	(3,449)	(3,698)
Total due after more than one year as at 31 March	(3,449)	(3,698)

9. Provisions for Liabilities and Charges

	Injury Benefit Costs £000	Other Provisions £000	2022 Total £000	2021 Total £000
Balance as at 1 April	460	17,636	18,096	14,074
Additional provisions made	-	19,855	19,855	17,228
(Decrease)/Increase due to change in the discount rate	4	-	4	-
Amounts incurred and charged against provision	(64)	(11,330)	(11,394)	(12,884)
Provision not required written back	-	(779)	(779)	(322)
Balance at 31 March	400	25,382	25,782	18,096
Payable within one year	66	25,382	25,448	17,701
Provision of over 1 year	334	-	334	395

Note:

Injury benefit provision relates to employees who have sustained injuries at work. Other provisions relates to other early departure costs, dilapidations and specific cases where estimates are based on the information known at the time of signing of the financial statements but the actual settlements could be materially understated or overstated.

Analysis of expected timing of discounted cashflows

	Injury Benefit Costs	Other Provisions	2022	2021
	£000	£000	£000	£000
Not later than 1 year	66	25,382	25,448	17,701
Later than 1 year and not later than 5 years	218	-	218	239
Later than 5 years	116	-	116	156
Total	400	25,382	25,782	18,096

10. Capital commitments

Property, plant and equipment

	2022	2021
	£000	£000
Contracted capital commitments at 31 March not otherwise included in these statements but not provided for	385	213
Total	385	213

11. Commitments under leases

11a. Commitments under leases

Total future minimum lease payments under operating leases are given in the tables below. Obligations under operating leases for the following periods comprise:

	2022	2021
	£000	£000
Buildings		
No later than 1 year	879	833
Later than 1 year and no later than 5 years	1,365	1,938
Later than 5 years	439	483
Total as at 31 March	2,683	3,254

11b. Finance Leases

Total future minimum lease payments under finance leases are given in the table below for each of the following periods:

	2022 £000	2021 £000
Buildings		
No later than 1 year	1,802	1,802
Later than 1 year and no later than 5 years	6,219	6,713
Later than 5 years	28,772	30,080
Total lease payments as at 31 March	36,793	38,595
Less Interest element as at 31 March	(33,095)	(34,673)
Present value of obligations as at 31 March	3,698	3,922

12. Related Party Transactions

COPFS is a separate service of the Scottish Government for funding purposes. During the year, COPFS had a number of material transactions with the Scottish Government, QLTR, Law Society of Scotland and The Scottish Courts and Tribunal Service. One of the Non-Executive Directors, who is an independent member of Audit & Risk Committee and Executive Board, is a member of the Audit & Risk Committee at University of Glasgow. One of the Executive Directors is member of the council of the Law Society of Scotland. None of the rest of the Non-Executive Directors, Executive Board members, key managerial staff or other related parties has undertaken any material transactions with COPFS during the year.

Payments made to the Scottish Courts and Tribunal Service relating to estates services and rental for occupancy of buildings, to Law Society of Scotland relating to practices certificates and to University of Glasgow relating to Pathology and Toxicology services are as follows:

	2021-22 £000	2020-21 £000
Scottish Courts and Tribunal Service	3,260	3,302
University of Glasgow	5,044	4,992
Law Society of Scotland	473	404

Income recharged to QLTR for salaries and administration costs, see page 91, are as follows:

	2021-22 £000	2020-21 £000
QLTR	(817)	(650)

13. Financial Instruments

This note outlines COPFS's potential risk from the use of financial instruments.

The Executive Board has overall responsibility for the establishment and oversight of COPFS's risk management framework.

COPFS has no derivative financial assets or liabilities.

Financial Assets Description	2022 £000	2021 £000
Accrued Income	500	172
Other receivables	1,428	726
Cash and Cash Equivalents	4,509	5,852
Totals	6,437	6,750

Financial Liabilities Description	2022 £000	2021 £000
Trade Payables	(2,009)	(213)
Accruals	(11,339)	(11,852)
Other payables	(621)	(285)
Scottish Consolidated Fund	(4,509)	(5,852)
Finance Leases	(3,698)	(3,922)
Totals	(22,176)	(22,124)

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and other institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and other institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Liquidity risk

Liquidity risk is the risk that COPFS will not be able to meet its financial obligations as they fall due. COPFS's approach to managing liquidity is to ensure that it will have sufficient liquid funds to meet our liabilities as they fall due. COPFS's primary source of liquidity is allocation from the Budget Act for each financial year, approved by the Scottish Parliament. COPFS monitors its bank balances daily and can draw down additional funding within 24 hours. With the exception of finance leases, COPFS has no debt or borrowing facility with any external party.

Liquidity is also managed by the monitoring of actual performance against budgets and forecasts.

14. Losses and Special Payments

	2021-22	2020-21 Restated
	£000	£000
Special Payments 24 cases (2020-21; 13 cases)	11,451	24,195
Totals	11,451	24,195

COPFS has recognised £32.6m for losses in 2021-22 which includes £11.5m cash payments and £21.1m accruals and provisions (2020-21: £27.9m).

Note:

The 2020-21 figures have been restated to reflect only the cash payments made within the financial year 2020-21.

15. Cash Requirement

Financial Liabilities Description	2021-22 £000
Approved Cash Requirement	167,400
Additional funding drawn down	-
Funding drawn down	167,400
Cash Expended:	
Operating Costs	160,881
Capital expenditure	7,862
Total Cash Expended	168,743
Net change in cash balance year to 31 March 2022	(1,343)
Cash Balance due to the SCF as at 31 March 2021	5,852
Total Cash Balance as at 31 March 2022	4,509
Consisting of:	
Funding balance due to (from) the SCF	4,509
Excess income due to the SCF	-

16. Contingent Liabilities

COPFS is subject to several civil litigation and damages claims. COPFS is opposing these claims, but continues to review each case individually for liabilities that may arise as the legal processes progress. The value of these claims has yet to be finalised.

17. Events after the Reporting Period

Additional provisions included in these accounts arose after the balance sheet date but before the signing of the accounts and is therefore a post balance sheet event. There have been no further material events between 31 March 2022 and the publication of the statements that require adjustments to the accounts to be disclosed.

Accounts Direction by Scottish Ministers

Accounts Direction by Scottish Ministers

Ministerial requirement to produce a set of annual accounts

These annual accounts have been produced to meet the requirement placed on the Lord Advocate to do so by the Accounts Direction by Scottish Ministers.

Period of accounts

This report and accounts are for the year ended 31 March 2022.

The scope of these accounts

These accounts reflect the assets and liabilities of COPFS. A separate set of accounts is produced for the Queen's and Lord Treasurer's Remembrancer (QLTR), which is a separate organisation with a separate Accountable Officer, but which shares the same Audit and Risk Committee as COPFS.

Accounts Direction by Scottish Ministers



LORD ADVOCATE

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 Crown Office and Procurator Fiscal Service for the financial year ended 31 March 2006 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. The direction given on 15 July 2002 is hereby revoked.

A handwritten signature in blue ink, appearing to read 'Alison Stelfox'.

Signed by the authority of the Scottish Ministers Dated: 17 January 2006

