

# Queen's and Lord Treasurer's Remembrancer

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Annual Report and Accounts  
for the year ended 31 March 2022



Laid before the Scottish Parliament by the Scottish Ministers on 26  
August 2022  
Reference: SG/2022/139

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# QUEEN'S AND LORD TREASURER'S REMEMBRANCER ANNUAL REPORT

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

## Introduction

1. The Queen's and Lord Treasurer's Remembrancer (QLTR) is the Crown's representative in Scotland with authority to deal with property falling to the Crown by operation of law. This includes the land, assets and other rights of dissolved companies, the estates of individuals who die leaving no heirs, and treasure found in Scotland.
2. The post is held by the Crown Agent, David Harvie. He is supported in this role by the QLTR department, which is entirely self-funding. The department's net receipts are paid over to the Scottish Consolidated Fund following deduction of its expenses, staffing and other running costs.
3. This report sets out the QLTR department's financial and operational performance for the year.

## Performance Report

### Aim and Objectives

4. The QLTR department works to achieve the effective administration of the Queen's and Lord Treasurer's Remembrancer's functions so that public enquiries and transactions are dealt with promptly and appropriately.

### Principal Activities

5. The QLTR department's principal activities are:
  - administering the property of individuals who die heirless by ingathering funds, paying debts, disposing of heritage and advertising where appropriate for blood relatives.
  - dealing with land, assets and other rights falling to the Crown under the Companies Acts, the property of missing persons and land where an owner cannot be identified. The QLTR has a broad discretion when property falls to the Crown in this way. Where it is not viable to try to sell a particular asset, right or land, the QLTR may waive the Crown's rights to it by a process known as "disclaiming" the Crown interest. When this happens, a notice is published in the Gazette and, for company property, is registered at Companies House.
  - administering finds of treasure in Scotland, ingathering award payments and making payments to finders.

## Financial Performance

6. The QLTR had receipts less payments and claims made from operations in 2021-22 of £7.9m (2020-21: £5.6m). Net receipts after all payments and administration costs were £7.2m (2020-21: £5.1m). In 2021-22, £7m was paid to the Scottish Consolidated Fund (SCF) (2020-21: £4.6m, of this £1.5m related to 2019-20). The QLTR's business is reactive and the receipts and payments therefore vary from year to year.
7. The QLTR continues to operate a reserve of £3m to be able to meet claims for returns of funds and proceeds of sales of property by the QLTR. This can happen, for example, in cases where a company is restored to the register or where a legitimate claim is established to an individual's estate. The reserve gives the QLTR department greater financial facility to deal with potential increases in receipts and claims to heirless estates and potential rises in the number of company dissolutions and restoration applications. The reserve limit and the margin of cover for claims available at any one time is monitored regularly. Further details about the reserve are set out at paragraphs 17 to 19.

## Operational Performance

8. The table below sets out the department's key annual receipts and payment figures for the financial years 2021-22 and 2020-21:

	<b>2021-22</b> <b>£000s</b>	2020-21 £000s
Dissolved company funds	7,381	4,577
Receipts from property sales	683	915
Heirless estate proceeds	3,489	2,418
Treasure Trove	1	13
<b>Total gross receipts</b>	<b>11,554</b>	<b>7,923</b>
Company funds return payments	1,343	1,087
Heirless estate claims paid	2,074	832
Other Crown claims paid	189	282
Treasure Trove	1	16
Other	61	69
<b>Total gross payments</b>	<b>3,668</b>	<b>2,286</b>
<b>Departmental running costs</b> (e.g. staffing, office charges, rent)	711	580
<b>Funds contributed to the Scottish Consolidated Fund</b>	7,030	4,642

9. The department's total gross receipts are 46% higher than the previous years' figures and include a 61% increase in dissolved company fund receipts and a 44% increase in heirless estate proceeds. There was a slight decrease in the relative levels of payment returns of company funds, being 18% of funds

received this year compared with 23% last year. The relatively large rise in heirless estate claims paid this year relative to the previous year is partly due to a number of larger individual estate payments made over the course of this financial year.

10. In looking at these comparisons, it should be borne in mind that, generally, the nature of QLTR's business is reactive and relies on funds and cases being remitted and reported to the QLTR department, and similarly on claims being brought. This reactive nature is also the case for finds of treasure, reported to the Treasure Trove Unit and for heirless estate cases referred to the QLTR by the National Ultimus Haeres Unit.
11. As with the previous financial year, the pandemic continued to impact on the way services have been delivered by the Department. For day-to-day delivery of our functions, following government and Crown Office guidelines, we established a pattern of hybrid working during the year, utilising a regular "light touch" in-office presence blended with staff otherwise working at home for extended periods of time. This worked well and allowed us to continue to provide our services throughout the financial year without any significant disruption.
12. As regards our two related departments, the Treasure Trove Unit (TTU) were most affected by the pandemic. The TTU are funded by Scottish Government and support the QLTR by carrying out day to day administration of the treasure trove system in Scotland. The TTU had only limited access to their offices for much of the financial year, and therefore very limited capacity to process new finds. The TTU will be working to address the backlog in the upcoming financial year.
13. Our other related department, the National Ultimus Haeres Unit, whom we fund, required to add additional capacity by 3 FTE staff over the year in response to increases in caseload caused by the pandemic.
14. As with last year, this year's figures for treasure trove and heirless estates continue to reflect the impact of the pandemic on both TTU and NUHU's business volumes relative to earlier years.
15. As well as delivering on our operational casework, the QLTR department has also taken the lead in this financial year on developing innovative new proposals to help tackle Scotland's ownerless vacant and derelict land where there is a Crown interest. Commencing in the early part of the upcoming new financial year, we intend to pilot and consult on a national QLTR Property Transfer Scheme targeting ownerless properties with potential for community use or wider public benefit.
16. To provide additional support and resilience as we begin this important reform work in the upcoming new financial year, in this financial year we have increased both our policy and legal capacity by bringing in two additional members of staff: a policy officer (1 x PFD) seconded from Registers of Scotland and an additional legal officer (1 x PFD). Our business as usual heritable property caseload has doubled over the last 10 years in any event, and we anticipate the reform work will add to the volume and complexity of

our caseload overall. We have also put in place external property advisers to support us in our work, in particular, with the surveying and disposal of sites.

## Key Risk

17. The main financial risk for the QLTR relates to having sufficient funds available to settle claims in the financial year. The arrangements to mitigate this are detailed below.
18. For estates of individuals who die heirless, the QLTR will hold the estate realised for 5 years after administration has been completed. That is based upon the department's experience that the estates are very often claimed within that period as genealogists trace relatives in return for a share of the estate. A claim after more than 5 years is rare. Only after that period has expired without a claim would the estate held be included in what is handed over to the SCF.
19. To cover the possibility of claims being brought beyond those 5 years, and to cover the possibility of claims being brought in any financial year in respect of any other matter the QLTR may deal with, the QLTR retains a reserve of accrued resources of £3m. By way of example, if a dissolved company is restored to the Companies Register then the QLTR would repay such sums that are held from its bank account. The amount paid over to the SCF after each quarter end is therefore the excess over the £3m balance.
20. The QLTR has no financial liabilities arising from finds of treasure. Where finds are allocated to a museum, the amount paid to the finder is found by the museum itself. The QLTR's role in this regard is limited to acting as the conduit for passing the funds to the finder.

## Payment policy

21. The QLTR requires that all suppliers' invoices not in dispute are paid within the terms of the relevant contract. We aim to have 100% of invoices, including disputed invoices once the dispute has been settled, paid on time in these terms. Moreover, the Scottish Government has set a 30 day payment performance target with an aspiration to pay within 10 working days of receipt. Suppliers' invoices are paid by the Crown Office and Procurator Fiscal Service which then recharges the QLTR (see Note 5). In 2021-22, performance against the 30 day target was 99.8% (2020-21: 97%). The QLTR aspires to pay all undisputed invoices within 10 days. During 2021-22, the QLTR paid 99.4% within the 10 day aspiration period (2020-21: 97%). 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.

## Environmental and Sustainability

22. The QLTR rents office space at Victoria Quay from the Scottish Government, which adheres to the Scottish Government environmental policies applicable to the office<sup>1</sup>.

Robert Sandeman  
Accountable Officer

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<sup>1</sup> See for example: [Sustainable performance - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2022/03/Sustainable_performance_-_gov.scot)

## Accountability Report

### REMUNERATION AND STAFF REPORT

#### Employment Policies

23. The QLTR does not employ staff directly. All staff are seconded to QLTR from the Crown Office and Procurator Fiscal Service (COPFS) and the wider Scottish and UK civil service.
24. The QLTR department does not have its own policies on the employment of people with disabilities, staff relations or equal opportunities but follows the practices in force in COPFS. These are set out in the annual report and accounts of COPFS which can be found on the COPFS website <http://www.copfs.gov.uk>.

#### Remuneration

25. Staff who are seconded to the QLTR department are paid at the rates in force for COPFS during the time of their secondments.

#### Senior Officials

26. The Queen's and Lord Treasurer's Remembrancer is a Non-Ministerial officeholder in the Scottish Administration. This post is currently held by David Harvie. A recharge of 5% of his time has been made to reflect his time associated with his role as the Queen's and Lord Treasurer's Remembrancer. The recharge from COPFS for the Crown Agent's time was £9,473 (2020-21: £9,378).
27. Robert Sandeman is the Accountable Officer.
28. The Senior Officials' salaries are detailed below:

Officials	Salary £000s		Benefits in Kind Nearest £100		Pension Benefits £000s		Total £000s	
	2021- 22	2020- 21	2021- 22	2020- 21	2021- 22	2020- 21	2021- 22	2020- 21
<b>David Harvie – The Queen's and Lord Treasurer's Remembrancer / COPFS Crown Agent</b>	<b>130 - 135</b>	130 - 135	-	-	<b>36</b>	85	<b>165 - 170</b>	215 - 220
<b>Robert Sandeman – Solicitor to QLTR / Accountable Officer</b>	<b>75 - 80</b>	75 -80	-	-	<b>24</b>	44	<b>95 - 100</b>	120 - 125



## Fair Pay Disclosure

29. QLTR 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
<b>Highest Earning Directors Remuneration</b>	0%
<b>Average change in other Staff</b>	5.44%

	2021-22	2020-21 (Restated)	Movement
<b>Median Salary</b>	40,741	38,609	5.52%
<b>Ratio to highest paid Director</b>	1.9:1	2.0:1	
<b>25 percentile</b>	32,462	29,039	11.79%
<b>Ratio to highest paid Director</b>	2.4:1	2.7:1	
<b>75 percentile</b>	49,828	51,539	-3.32%
<b>Ratio to highest paid Director</b>	1.6:1	1.5:1	

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 QLTR employees compared to 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.

## Staff Numbers and Costs

30. Total staff costs charged for the QLTR are split as follows:

	2021-22	2020-21
	£000s	£000s
<b>Salaries and Wages</b>	305	259
<b>National Insurance</b>	33	27
<b>Pensions</b>	80	66
<b>Agency and Seconded</b>	15	0
<b>Total Staff Costs</b>	<b>433</b>	<b>352</b>

Note: These costs are recharged by COPFS quarterly in arrears.

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
Executive Board Directors	1	1	1	1	0	0
Other permanent staff	7	6	3	3	4	3
Secondees	1	0	1	0	0	0
Agency staff	1	0	1	0	0	0
<b>Sub-Total</b>	<b>10</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>3</b>

31. In the year to 31 March 2022, the QLTR department lost 0.3% of total available working days to sickness (2020-21: 0.2%).
32. There was no expenditure on consultancy during 2021-22 or 2020-21.
33. There were no exit packages in 2021-22 or 2020-21.
34. There was no recharge from COPFS for Non-Executive Directors, who were all members of the COPFS/QLTR Audit and Risk Committee.

## Pensions

35. COPFS and the Scottish Government are the employers for QLTR staff and as such administer their pensions. Full disclosure of the pension schemes are included in COPFS Annual Report and Accounts.

36. The Senior Officials' pensions are detailed below:

Officials	Accrued pension at pension age as at 31 March 22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2022	CETV at 31 March 2021	Real increase in CETV	Employer contribution to partnership pension account
	£000s	£000s	£000s	£000s	£000s	Nearest £100
<b>David Harvie –</b> The Queen's and Lord Treasurer's Remembrancer / COPFS Crown Agent	50 - 55  plus a lump sum of 90 – 95	0 - 2.5  plus a lump sum of 0	886	821	15	-
<b>Robert Sandeman -</b> Solicitor to QLTR / Accountable Officer	25 – 30	0 - 2.5	389	357	10	-

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.

## STATEMENT OF THE ACCOUNTABLE OFFICER'S RESPONSIBILITIES

37. Under the accounts direction issued under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, the Queen's and Lord Treasurer's Remembrancer is required to prepare accounts for each financial year detailing the resources acquired, held or disposed of during the year and the use of resources by the QLTR during the year.
38. The accounts are prepared on a receipts and payments basis and must properly present the state of affairs of the QLTR.
39. In preparing the accounts the Accountable Officer is required to comply with the Scottish Public Finance 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; and
  - prepare the accounts on a receipts and payments basis.
40. The Principal Accountable Officer for the Scottish Government has appointed the Solicitor for the QLTR as Accountable Officer.
41. 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 the QLTR's assets, are set out in the 'Memorandum to Accountable Officers' from the Principal Accountable Officer.
42. I confirm that as far as I am aware, there is no relevant audit information of which the auditors are unaware, and 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 the auditors were aware of that information.
43. I confirm that the annual report and accounts as a whole is fair, balanced and understandable and take responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

## PARLIAMENTARY ACCOUNTABILITY REPORT

### Receipts & Payments

44. Receipts arise from the ingathering of funds from heirless personal estates; from other funds remitted to the QLTR falling to the Crown by operation of law such as the bank accounts of dissolved companies; and from proceeds of sale by the QLTR of property, assets and other rights claimed by the QLTR on behalf of the Crown.
45. Due to increases in claims of heirless estates gathered in previous years, from 2011-12 onwards balances are retained for potential liabilities from the last 5 years. A reserve of £3m is held against these, and other, potential liabilities and any surplus over that figure is surrendered quarterly to the Scottish Consolidated Fund (refer to paragraph 7).
46. All receipts and subsequent transfers to the Scottish Consolidated Fund or beneficiaries are made in accordance with our Accounts Direction by the Scottish Ministers.

### Financial Performance

47. The financial performance of the QLTR is considered at paragraph 6 of these financial statements.

## GOVERNANCE STATEMENT

### Scope of Responsibility

48. As Accountable Officer for the Queen's and Lord Treasurer's Remembrancer, I have responsibility for maintaining an adequate and effective system of internal control, which supports the achievement of the Queen's and Lord Treasurer's Remembrancer's aims, objectives and policies, whilst safeguarding the public funds and the Queen's and Lord Treasurer's Remembrancer's assets for which I am personally responsible, in accordance with the responsibilities assigned to me.
49. 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 of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency, effectiveness and equality, and promotes good practice and high standards of propriety.

### Purpose of the Governance Framework

50. The QLTR'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.

51. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the QLTR's policies aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively, and economically.
52. The process within the organisation accords with guidance from Scottish Ministers in the SPFM and has been in place for the financial year to which the annual report and accounts relate and up to the date of their approval.

### **Audit and Risk Committee**

53. The QLTR has a shared Audit and Risk Committee (ARC) with COPFS, whose members are all Non-Executive Members. 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.
54. The QLTR operates risk management strategies in accordance with the Scottish Public Finance Manual.
55. The QLTR is committed to a process of continuous development and improvement, and we continue to develop our processes and respond to developments in best practice in this area.

### **Counter fraud activity**

56. The QLTR does not have its own policies on counter fraud and anti-bribery but follows the practices in force in COPFS. These are set out in the annual report and accounts of COPFS which can be found on the COPFS website <http://www.copfs.gov.uk>

### **Review of Adequacy and Effectiveness**

57. As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:
  - comments made by the external auditors in their management letter and other reports;
  - reports from managers on the steps they are taking to manage risks in their areas of responsibility including progress reports on key objectives;
  - monthly meetings with appropriate QLTR staff to discuss relevant issues; and

- 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.

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

### **Significant Governance Issues**

59. There were no significant governance issues during 2021-22 or 2020-21.

60. There were no significant personal data related incidents reported in 2021-22 or 2020-21.

### **Conclusion**

61. During the financial year, no significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards for good governance, risk management and control. As Accountable Officer, I am satisfied with the adequacy of the internal control and governance arrangements of the QLTR.

Robert Sandeman  
Accountable Officer

# Independent auditor's report to the Queen's and Lord Treasurer's Remembrancer, 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 Queen's and Lord Treasurer's Remembrancer for the year ended 31 March 2022 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Receipts and Payments Account, Summary Note of Balances Held and the Notes to the Accounts. The financial reporting framework that has been applied in their preparation is applicable law and the receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers the receipts and payments of the body for the year ended 31 March 2022 and the balances held at that date; 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 5 March 2020. The period of total uninterrupted appointment is three 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.

### Risks of material misstatement

I report in a separate Annual Audit Report, available from the Audit Scotland website, 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 Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation and proper presentation of financial statements 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.

## **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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **REPORTING ON REGULARITY OF RECEIPTS AND PAYMENTS**

### **Opinion on regularity**

In my opinion in all material respects the receipts and payments 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.

### **Responsibilities for regularity**

The Accountable Officer is responsible for ensuring the regularity of receipts and payments. 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 receipts and payments 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.

Esther Scoburgh CPFA  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN

## Financial statements

### RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	2021-22	2021-22	2020-21	2020-21
		£000s	£000s	£000s	£000s
Receipts					
<b>Heirless estates</b>		3,489		2,418	
<b>Dissolved company property</b>		7,381		4,577	
<b>Non-company property</b>		683		915	
<b>Other amounts received</b>		-		-	
<b>Treasure finds</b>		1		13	
<b>Total Receipts</b>			<b>11,554</b>		<b>7,923</b>
Payments					
<b>Meeting debts and obligations of estates, including discretionary payments</b>					
<b>Heirless estates</b>		(2,074)		(832)	
<b>Dissolved company property</b>		(1,343)		(1,087)	
<b>Non-company property</b>		(189)		(282)	
<b>Treasure finds payments</b>		(1)		(16)	
Other amounts		(61)		(69)	
<b>Total Payments</b>			<b>(3,668)</b>		<b>(2,286)</b>
Net receipts from operations			<b>7,886</b>		<b>5,637</b>
Administrative Costs					
<b>Staff Costs</b>	*	(433)		(352)	
<b>Office &amp; administration costs</b>	2	(277)		(227)	
<b>Case related costs</b>		(1)		(1)	
<b>Total Administrative Costs</b>			<b>(711)</b>		<b>(580)</b>
Net (Payments)\ Receipts			<b>7,175</b>		<b>5,057</b>
<b>Payments to the Scottish Consolidated Fund</b>			<b>(7,030)</b>		<b>(4,642)</b>
Total Net (Payments)\ Receipts			<b>145</b>		<b>415</b>

\*Remuneration and Staff Report (pages 8-10).

The above statement has been prepared on a cash basis. Audit fees of £4,250 (2020-21: £4,160) are notional/non cash and therefore are in addition to the administrative costs outlined above.

## SUMMARY NOTE OF BALANCES HELD AT 31ST MARCH 2022

	2021-22		2020-21	
	Assets	Liabilities	Assets	Liabilities
	£000s	£000s	£000s	£000s
<b>Funds in Bank</b>	3,404		3,258	
<b>Sundry Estate</b>		8,725		8,022
<b>Unallocated Receipts*</b>		(5,321)		(4,764)
<b>Total</b>	<b>3,404</b>	<b>3,404</b>	<b>3,258</b>	<b>3,258</b>

\* This is income received in the bank prior to 31st March, not yet allocated.

The notes on pages 23-25 form part of these accounts.

The Accountable Officer authorised these financial statements for issue on the 24 August 2022.

Robert Sandeman  
Accountable Officer

## NOTES TO THE ACCOUNTS

### 1. Statement of Accounting Policies

In accordance with the accounts direction issued by the Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared in compliance with the relevant principles and disclosure requirements of the Scottish Public Finance Manual. The particular accounting policies adopted by the QLTR are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts are prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of properly presenting the expenditure and receipts in accordance with the principles, set out in International Financial Reporting Standard (IFRS) 18 Accounting Policies.

#### 1.1 Accounting Convention

These accounts have been prepared in accordance with the historic cost convention. As in previous years, income and expenditure are recognised on the basis of cash received and paid out.

#### 1.2 Going Concern

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

#### 1.3 Basis of Accounting

These accounts reflect the receipts and payments and a summary of the balances held for the year of the QLTR.

#### 1.4 Tangible Fixed Assets

The only tangible assets utilised by the QLTR are computer equipment and these are accounted for by the COPFS.

#### 1.5 Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

#### 1.6 Value Added Tax (VAT)

The majority of services provided by the QLTR fall out-with the scope of VAT. The QLTR is not separately registered for VAT but recovers VAT on certain contracted-out services via the COPFS.

## 2. Office and Administration Costs

	2021-22	2020-21
	£000s	£000s
<b>Travel &amp; Subsistence</b>	-	-
<b>Advertising</b>	-	-
<b>Practising Certificates &amp; Publications</b>	5	5
<b>Accommodation</b>	11	14
<b>Equipment Hire &amp; Maintenance</b>	-	-
<b>Printing &amp; Stationery</b>	3	-1
<b>Other Staff &amp; Office Costs</b>	6	13
<b>Payment for NUHU (Staff &amp; Admin)</b>	227	190
<b>Computer Costs</b>	25	6
<b>Total Office &amp; Administration Costs</b>	<b>277</b>	<b>227</b>

## 3. Disposal of Assets

Disposal of assets falling to the Crown either at common law or statute has been in a manner consistent with the Scottish Public Finance Manual, for the benefit of the Scottish Consolidated Fund.

## 4. Contingent Liabilities

The QLTR receives claims for which, due to their nature, no figure can be disclosed. These payments are accounted for when the payments are made. Liabilities may also arise in respect of property where a Crown interest may arise and where a disclaimer of the Crown interest is no longer available and a disposal has not proved possible. Due to their nature it is not possible to show a figure of what the liability might be and they will be accounted for if and when any payment is made.

## 5. Related Party Transactions

COPFS, which is headed by the QLTR in his capacity as Crown Agent, processes administrative payments on behalf of the QLTR.

COPFS then recharge the QLTR for all payments made on their behalf.

A unit within the COPFS (known as the National Ultimus Haeres Unit) undertakes initial investigation work where individuals have died in non-suspicious circumstances, and have been identified as possibly having no next of kin or heirs.



As the Crown ultimately will have an interest in any estate where no heirs have been established, NUHU's costs are recovered by COPFS from the QLTR.

None of the Senior Officers or staff entered into transactions with the QLTR during the year.

## **6. Audit fee**

The accounts of the QLTR are audited by auditors appointed by the Auditor General for Scotland. Audit Scotland carried out the audit of the QLTR's accounts for the financial year ended 31 March 2022.

The notional audit fees applied for services during the year 2021-22 was £4,250, (2020-21: £4,160).

## DIRECTION BY THE SCOTTISH MINISTERS



Queen's & Lord Treasurer's Remembrancer

## DIRECTION BY THE SCOTTISH MINISTERS

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

1. An account of the Queen's & Lord Treasurer's Remembrancer for the year ended 31 March 2013 and subsequent years shall be prepared, in the form of an Annual Report, and shall include a receipts and payments account and a summary note of balances held.
2. The accounts shall comply with the relevant accounting principles and disclosure requirements of the edition of the Scottish Public Finance Manual in force for that period.
3. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 29 August 2013