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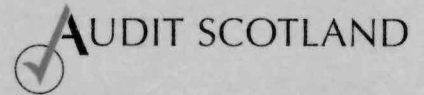
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Alan Miller
Scottish Commission for Human Rights
4 Melville Street
Edinburgh
EH3 7NS

RECEIVED
04 NOV 2014

4 November 2014

Dear Mr Miller

**Scottish Commission for Human Rights
Audit for the year ended 31 March 2014**

Please find enclosed the audited accounts of Scottish Commission for Human Rights for the 12 months ended 31 March 2014. These also incorporate the auditor's report.

Section 22(5) of the Public Finance and Accountability (Scotland) Act 2000 requires Scottish Ministers to lay a copy of the accounts and the auditor's report before the Parliament and to publish the accounts and auditor's report. The legislation also requires the accounts and auditor's report to be laid by no later than 31 December 2014. I would be grateful if you could make the necessary arrangements for this to take place.

Section 22(3) of the Act enables me to report on the account where I consider that there are issues which should be brought to the attention of Parliament. I have concluded that such a report is not required in this case.

If you have any questions regarding this letter, please contact Mark Roberts, PABV Senior Manager, (0131 625 1613) within the Performance Audit and Best Value Group of Audit Scotland.

Yours sincerely

Caroline Gardner
Auditor General for Scotland

Enc

Scottish Commission for Human
Rights

**Scottish Commission for Human
Rights**

Annual Accounts

Year Ended 31 March 2014

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MANAGEMENT COMMENTARY

Accountable Officers Report

The accounts for the financial year ended 31 March 2014 are presented in accordance with paragraph 15(1) of Schedule 1 to the Scottish Commission for Human Rights Act 2006 and prepared in accordance with an Accounts Direction given by the Scottish Ministers.

Financial Position

Financial Year 2013-14 was the Commission's fifth full year of operation. The Commission's net expenditure on operating activities for the year ended 31 March 2014 totalled £914k (2013 - £957k). This was on staff costs £666k (2013 - £656k), other operating costs £287k (2013 - £321k) and depreciation £2k (2013 - £2k). Details of operating expenditure are shown in note 5 to the Accounts.

Total income applied during 2013/14 totalled £41k . This comprised of a grant of £36k from the Office of the High Commission Human Rights and £5k partnership funding for a joint project from the Equality and Human Rights Commission.

Expenditure on the purchase of non-current assets during the financial year is detailed in note 6 and note 7 to the Accounts.

The Scottish Parliament awarded the Commission a cash budget of £909,000 for financial year 2013-14 (2012-13 - £969,000). In addition £26,407 of contingency funding was approved to cover IT expenditure.

Pensions

Details of pension contributions can be found in notes 1.6, 3.2 and 4 of the accounts.

Payment of Creditors

The Commission is committed to the CBI Prompt Payment Code for the payment of bills for goods and services received. Payments are normally made as specified in the agreed contract conditions. Where there is no contractual position or other understanding, the Commission makes payment within 30 days and additionally aims to make payments within 10 days of receipt of the goods or services. Payment performance for invoices against the 10 day target in 2013-14 was 84% (2013 – 52%). The average time to pay suppliers in 2013-14 was 7.5 days (2013 – 13.7 days).

Register of Interests / Freedom of Information

The Commission maintains a register of company directorships and other significant interests held by the Commission members and the Commission staff. Paragraph 17 to Schedule 1 of the Scottish Commission for Human Rights Act amends the Freedom of Information (Scotland) Act 2002 (FOISA) to include the Commission as a Scottish public authority. This creates a range of duties on the Commission that include ensuring that staff are trained on FOISA, ensuring that processes are in place to deal with Freedom of Information requests and ensuring that there is a records management system and an approved publications scheme.

Personal Data

There were no incidents relating to personal data in the period

Disclosure of Information to Auditors

As Accountable Officer, I am not aware of any relevant information of which our auditors are unaware. I have taken all necessary steps to ensure that I myself am aware of any relevant information and to establish that the auditors are also aware of this information.

Audit

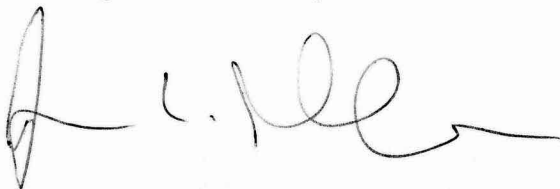
The accounts are audited by auditors appointed by the Auditor General for Scotland in accordance with paragraph 15(1) of Schedule 1 of the Scottish Commission for Human Rights Act 2006. There has been no remuneration paid to the auditors for any non-audit work undertaken by the auditors.

Provision of Information to Employees

The Commission has adopted the principles of openness and participation in its organisation and places a high level of importance on both informing and consulting staff. It does so by providing access to all documents, through oral and written briefings, by staff meetings and events. Information is only withheld where this can be shown to be justified or where a duty of confidence is owed to a third party.

Sickness Data

The average number of days lost due to sickness in the period was 2 days per person.

A handwritten signature in black ink, appearing to read 'A. Miller', with a long horizontal flourish extending to the right.

Alan Miller
Chair, Scottish Commission for Human Rights

Date: 31 October 2014

Strategic Report

About the Commission

The Commission is an independent body established by the Scottish Parliament to promote and protect the human rights of everyone in Scotland. The functions of the Commission are set out in the Scottish Commission for Human Rights Act 2006 (the Act).

Under the Act the Commission has a general duty to promote awareness, understanding and respect for all human rights - economic, social, cultural, civil and political - to everyone, everywhere in Scotland, and to encourage best practice in relation to human rights. The Commission fulfils this duty through recommending changes to Scottish law, policy and practice as necessary, awareness raising, carrying out research, and providing guidance.

Under its powers the Commission can conduct inquiries into the policies or practices of Scottish public authorities, enter some places of detention, and can intervene in civil court cases where relevant to the promotion of human rights and where the case appears to raise a matter of public interest.

The Commission is under a duty to ensure it is not duplicating work that others already carry out. An inclusive approach has been adopted so that the expertise and interests of all stakeholders are taken into account and utilised wherever possible in delivering strategic priorities. The Commission promotes and protects the human rights guaranteed by the European Convention on Human Rights, which form part of the law of Scotland through the Human Rights Act 1998 and the Scotland Act 1998, as well as other human rights which are guaranteed by international conventions ratified by the UK. The Commission works to a set of five Strategic Priorities in a Strategic Plan (2012 – 2016) to ensure it meets its mandate, is accountable, and achieves business excellence.

The Commission also has an international role as the National Human Rights Institution (NHRI) for Scotland. NHRIs are independent organisations, established by law, to promote and protect human rights. The Commission is one of over 100 NHRIs around the world. When establishing the Commission, the Scottish Parliament took care to comply with the Principles Relating to the Status of National Institutions, known as the Paris Principles. These are a series of recommendations on the role, status and functions of NHRIs adopted by the UN General Assembly in 1993. The Paris Principles enable the Commission to represent Scotland within the UN human rights system and are a key reference for the Commission. In June 2010 the Commission achieved Grade 'A' status as an NHRI, the highest level of accreditation from the United Nations (UN).

Since 2011 the Commission has been chair of the European Network of 40 NHRIs across the wider European Area.

The Scottish Commission for Human Rights

The members of the Commission:

The Chair: Professor Alan Miller
Appointed: 3 March 2008 and reappointed March 2013 (for a period of 3 years)

Part time Members: Professor Kay Hampton, Shelagh McCall
Appointed May 2008 and reappointed May 2012 (for a period of 3 years)
Matt Smith Appointed: 1 September 2010 (for a period of 4 years)

On 31st March 2014 there were four Members of the Commission, eight full time staff and three part time staff (9.8 FTE). There were two male and two female Members of the Commission and three male and eight female members of staff.

Our Work

The Commission operates against four year strategic plans which are developed and approved by the Commission. The current strategic plan is for the period 2012-2016 and is published on the Commission's website.

The Commission has continued to promote and protect human rights in Scotland by delivering a range of activities in line with the Strategic and Operational Plans. The Commission will publish its Annual Report in October 2014 which will provide a comprehensive overview of its work. The following provides a brief summary of key work in 2013/14 under the Commission's five strategic priorities:

Strategic Priority 1. Empowering people to realise their rights through promoting greater awareness and respect for human rights.

Scotland's National Action Plan

On International Human Rights Day, 10 December 2013, Scotland's first National Action Plan for Human Rights (SNAP) was launched. This was the culmination of four years of work by the Commission in developing an evidence base, and ensuring broad participation in the development of SNAP.

SNAP is a roadmap for the realisation of all internationally recognised human rights. It is based on evidence and broad participation. It was developed by a Drafting Group from across the public and voluntary sectors and overseen by an Advisory Council whose members reflect the diversity of Scottish civic life.

SNAP pursues a vision of a Scotland in which everyone is able to live with human dignity. It will coordinate action by a wide range of public bodies and voluntary organisations towards achieving this vision. It is not a traditional action plan but a transformative programme of action including agreed outcomes, priorities and a process for working together from 2013 – 2017 to progressively realise the potential of human rights in all areas of life.

Strategic Priority 2. Supporting the implementation of human rights in practice.

Equality and Human Rights Impact Assessment

The Commission has worked in partnership with the Equality and Human Rights Commission (EHRC) to publish an internet portal on Equality and Human Rights Impact Assessment (EQHRIA). The EQHRIA resource, a web training portal, was developed to promote the benefits and share best practice to enable equality and human rights considerations to be embedded into the policies, practices, procedures and priorities of public bodies in Scotland.

Two pilot local authorities were selected to test the integrated impact assessments, one focusing on the impact of welfare reform on single parent families and the other on a review of its advice services. A steering group guided this work. This included public bodies and civil society organisations such as the Government, local authorities, police, prison service, National Health Service, and the council of voluntary organisations.

The web portal offers an extensive training package on equality and human rights impact assessment, explains how and why to take a human rights based approach to impact assessment and gives first-hand accounts of the two pilots. Video interviews on the website bring the experiences of those implementing assessments alive and demonstrate the 10 Good Practice Building Blocks for Assessing Impact in practice.

The web portal and training can be accessed at www.scottishhumanrights.com/eqhria

Human Rights InterAction – Historic Child Abuse

The Commission has been working since 2009 to promote effective access to justice and remedies for survivors of historic child abuse. In February 2010 the Commission published a Human Rights Framework for Justice and Remedies for Historic Child Abuse in Scotland - this report outlines a comprehensive approach to ensuring effective access to justice, remedies and reparation for childhood abuse.

In 2013/2014 the Commission worked with the Centre for Excellence for Looked After Children in Scotland to oversee a second InterAction to realise the human rights of survivors of historic child abuse in Scotland.

Participants in the InterAction included survivors and their representatives, Scottish Government, representatives of local authorities, institutions which provided residential child care, workers associations, foster care organisations, religious bodies, civil society and a range of others. The InterAction was chaired by Professor Monica McWilliams, an expert in transitional justice and one of the architects of the Good Friday Agreement in Northern Ireland, and was supported by staff, Commissioners and the Chair of the Commission.

The second InterAction resulted in a draft Action Plan. The Action Plan has two overarching outcomes related to acknowledgement and accountability. Under each there are a series of commitments which were agreed by participants. They include commitments to consider passing an "Apology Law" to remove barriers to effective apologies; to scope out the value of a national inquiry; to review the way in which the "time bar" to civil litigation works; and to pursue options for the development of a national reparation (or "survivor support") fund.

Strategic Priority 3. Improving human rights protection in Scotland through influencing law and policy.

The Commission provides advice on the human rights implications of proposed changes to law and policy in Scotland, including through engagement with Government and Parliament consultations. The Commission uses a set of objective criteria to prioritise issues on which it provides advice.

During 2013/2014 the Commission submitted responses to 16 consultations, public petitions and calls for evidence from Scottish Parliament Committees. The issues engaged with included public services reform, criminal law and practice, procurement, mental health legislation and welfare reform. The Commission also gave oral evidence to a number of Scottish Parliament Committees including on criminal justice, public service reform and welfare reform.

Strategic Priority 4. Progressing the realisation of human rights of people in Scotland and beyond through further developing our international role.

Convention on the Rights of Persons with Disabilities

Accounts for the Year Ended 31 March 2014

The Commission was appointed in June 2009 as an independent mechanism responsible for promoting, protecting and monitoring the implementation of the Convention upon ratification by the UK, a role it undertakes in partnership with the EHRC in Scotland. Throughout 2013/2014 both Commissions engaged with the Scottish Government seeking a clear and coordinated process to implement the Convention in Scotland. Both Commissions also jointly held a roundtable with disabled people's organisations and other organisations working on the rights of disabled people, to help shape their reporting priorities.

Together with other members of the UK Independent Mechanism to promote, protect and monitor the implementation of the Convention, both Commissions are currently finalising a submission to the UN Committee which will review the UK in 2014/15.

The Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT)

States that ratify OPCAT are required to designate a 'national preventive mechanism' (NPM). This is a body or group of bodies that regularly examine the treatment of detainees, make recommendations and comment on existing or draft legislation with the aim of improving treatment and conditions in detention.

As a member of the NPM the Commission raised concerns relating to the treatment of prisoners in Scotland before the UN Committee on the Elimination of Discrimination against women and the UN Committee Against Torture during their periodic reviews of the UK in 2013. Among the Commission's recommendations were the full implementation of the conclusions of the Commission on Women Offenders; improved availability and accessibility of appropriate facilities and services for people in detention with mental health problems and/or drug or alcohol dependency; and the setup of specific targets and timelines for reducing the high levels of imprisonment and overcrowding. SHRC also ensured that a range of issues relating to conditions of detention were identified under Scotland's first National Action Plan for Human Rights, published on 10 December 2013. Actions to follow up on the implementation of the detention-related aspects of this plan will be pursued with relevant stakeholders during the next business year.

Strategic Priority 5. Ensuring the Commission is effective, efficient, professional and accountable.

The Commission operates within a structure of good governance and strong internal controls, and strives to lead by example. The Commission has established a Finance, Risk and Audit Committee which monitors the Commissions effectiveness in governance and control as well as project work relevant to its remit.

In 2013/14 the Commission delivered a project which continued to drive operational effectiveness and efficiency in governance and management. In 2013/14 the project delivered improved management information for reporting on performance and finances. The project also delivered a new IT system that enhances IT capabilities and will reduce the running costs for IT in future years. Under the project new policies were developed and implemented in the areas of Risk Management, Financial Management, Health and Safety and Equality. Through the project two team members achieved practitioner qualification in PRINCE2 Project Management and all Members of the Commission and staff undertook training in Risk Management.

Future Development

The Commission has continued to increase its partnership working over the previous year and this will remain a key feature of the approach taken in the future. In the coming operational period the Commission will be engaging with a broad range of organisations as it continues to both promote and protect human rights as well as working to build capacity to put human rights into practice.

In the operational plan period 2014-16 the Commission will undertake work in line with the Commission's five strategic priorities.

The Commission is very conscious of the need to manage its resources efficiently and effectively. In the coming operational period the Commission will initiate a second business project that will continue to develop our approach to managing resources. This project will consider and implement best practice approaches. Work under this project will include implementing integrated equality and human rights impact assessments of our key policies and procedures, developing capabilities and procedures for managing the environmental impact of the organisation and enhancing our approach to procurement.

Diversity and Equality

In 2013/14 the Commission developed a new Equality Policy. To support the delivery of the policy the Commission established an Equality Working Group comprising staff members from each of our business areas. The Equality Working group monitors the Commission's equality performance.

Community, Social and Human Rights

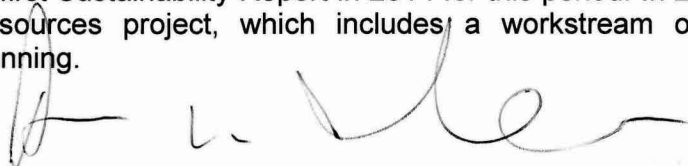
The Commission was established to promote and protect all human rights and has been committed to taking a human rights based approach (HRBA) to all of its activities since its inception in 2008. Information about an HRBA, and our work to promote it, is hosted on the Commission's website and in pages 4-6 of our accounts
<http://www.scottishhumanrights.com/ourresources/promotinghrba>.

The Commission's Equality Policy reiterates its commitment to an HRBA in respect of governance and operations. As part of delivering this commitment, the Commission will develop and implement integrated Equality and Human Rights Impact Assessments (EQHRIA) of our office policies, procedures and key planning documents.

Following a successful partnership project with local authorities to develop and pilot the use of Equality and Human Rights Impact Assessments (EQHRIA), a web training portal has been developed to promote the benefits and share best practice of this pilot. The web portal is available at <http://www.scottishhumanrights.com/eqhria>

Environment and Sustainability

In 2013/14 the Commission began collecting data for sustainability reporting and will publish its first Sustainability Report in 2014 for this period. In 2014/15 the Commission will initiate a Resources project, which includes a workstream on environmental and sustainability planning.



Alan Miller
Chair, Scottish Commission for Human Rights

Date: 31 October 2014

REMUNERATION REPORT

The officeholders' terms and conditions are set by the Scottish Parliamentary Corporate Body.

- The Chair's appointment is for a period of 3 years and the members for 3 or 4 years
- The Chair's and Members' salary and Chair's pension entitlement are set out below. The part-time members are paid a daily rate and expenses. The three part time members' are paid a daily rate of £253.75 up to a maximum of 30 days per year which equates to a maximum pay of £7,612.50 per annum per part time member.

The part-time Members' posts are non-pensionable. The Chair was employed on a full-time basis in 2013-14.

	Remuneration 2013-14 £'000	Pension 2013/14 £'000	Total Remuneration 2013/14 £'000	Remuneration 2012-13 £'000	Pension 2012/13 £'000	Total Remuneration 2012/13 £'000
Chair Salary – Prof. Alan Miller	75 -80	15-20	90-100	75 -80	15-20	90-100
Part Time Members' Salary:						
Kay Hampton	5 -10	-	5 -10	5 -10	-	5 -10
Shelagh McCall	5 -10	-	5 -10	5 -10	-	5 -10
Matt Smith	5 -10	-	5 -10	5 -10	-	5 -10
Benefits in kind	Nil		Nil	Nil		Nil

Salary includes basic salary and does not include employer National Insurance or pension contributions.

No members of the Commission's staff left under voluntary or compulsory exit schemes in 2013-14 (2012-13 nil).

The highest paid member of the senior management team was the Chair. His salary was 1.6 times the £47,715 median salary paid to the Commission's staff in 2013/14 (2012/13 – 2 times £37,704).

Pension Benefits

Pension contributions of £18,774 (2013 - £18,681) were made on behalf of the Chair to a defined contribution scheme and no further liability therefore exists on the Organisation with regard to these contributions.


Alan Miller
Chair, Scottish Commission for Human Rights

Date: 31 October 2014

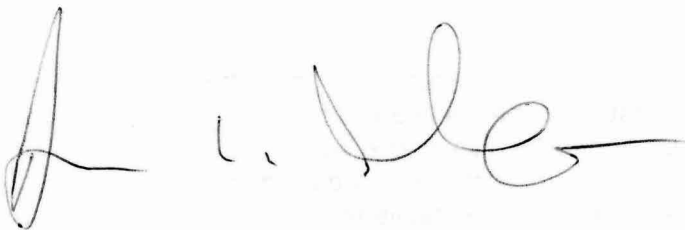
STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

The Scottish Parliamentary Corporate Body designated the Chair as the Accountable Officer for the Scottish Commission for Human Rights. The relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Memorandum to Accountable Officers of Other Public Bodies issued by the Scottish Government and published in the Scottish Public Finance Manual.

Under paragraph 15(1) of Schedule 1 to the Scottish Commission for Human Rights Act 2006, the Commission is required to prepare a statement of accounts for each financial year in the form as directed by the Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the Commission's affairs at the year end and of its financial activities during the year.

In preparing the accounts, the Commission is required to:

- (i) Observe the Accounts Direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- (ii) Make judgements and estimates on a reasonable basis.
- (iii) State whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements.
- (iv) Prepare the financial statements on a "going concern" basis, unless it is inappropriate to presume that the Commission will continue in operation.

A handwritten signature in black ink, appearing to read 'A. Miller', with a long horizontal stroke extending to the right.

Alan Miller
Chair, Scottish Commission for Human Rights

Date: 31 October 2014

GOVERNANCE STATEMENT

Chair of the Commission

As Accountable Officer, the Chair is responsible for ensuring that appropriate and adequate internal controls are in place to support the Office in successfully accomplishing its objectives and to safeguard the public funds under its control.

The Scottish Commission for Human Rights Act 2006 provides that the Commission is an independent office in the exercise of its functions and is not subject to the direction or control of any member of the Scottish Parliament, any member of the Scottish Government or the Parliamentary Corporate Body (SPCB), unless where otherwise indicated (see paragraph below).

The Scottish Commission for Human Rights Act 2006 provides that the SPCB shall pay the salaries, allowances and any expenses incurred by the Members of the Commission. It also provides that SPCB approval is required as to the number and terms and conditions of staff and the arrangements for pensions, allowances and gratuities.

The office of the Scottish Commission for Human Rights

The Chair of the Commission is appointed by the Scottish Parliament. The appointment of the Chair of the Commission is for a term of up to five years, with a maximum of two terms totalling eight years. The Chair and Commission Members can only be removed before the end of a term by a vote of two thirds of the Members of the Scottish Parliament. The Commission comprises the Chair of the Commission and three Commissioners appointed by the Scottish Parliament for terms of three or four years, with a maximum of two terms. The Chair of the Commission is the Accountable Officer.

The Commission is supported by eleven members of staff (9.8 FTE) who are employed by the Commission. The staff management team comprises of the Head of Strategy and Legal, the Business Manager and the Communications and Outreach Manager.

The Governance Framework of the Commission

The Commission operates against four year strategic plans which are developed and approved by the Commission. The Strategic Plan is delivered through implementation of biennial Operational Plans. The Commission's operational plans are linked to our budget and risk management strategy and delivery of plans are supported by project plans and internal operating procedures and policies. Delivery of operational plans is achieved through a project structure which includes project initiation procedures, risk management, budget planning, and on-going project management and monitoring against planned budget, milestones and objectives.

Members of the Commission convene monthly and are responsible for setting the strategic direction of the Commission and for ensuring the delivery of Strategic Plans. The Commission is also responsible for ensuring the effective and efficient use of Commission resources in delivering the Strategic Plan. The Commission is supported in its function by a Finance, Risk and Audit Committee (FRAC) which was established in 2011/12, a Business Risk Management Group (BRMG) which was established in 2011/12 and an Equalities Working Group (EWG) which was established in 2013/14. The Commission reviews performance against strategic and operational plans and receives assurances from the BRMG and FRAC on use of resources, financial performance and on new and on-going business risk. The members of the Commission operate within the terms of reference

contained in the Commissioner's Handbook. FRAC operates within the Terms of Reference for the Finance, Risk and Audit Committee. The EWG operates within the Terms of Reference for the Equality Working Group. The Commission and FRAC meetings are conducted against a pre-agreed agenda. Minutes of Commission monthly meetings are published on the Commission website. The BRMG comprises of the Chair of the Commission, the Head of Strategy and Legal, the Business Manager and the Communications and Outreach Manager. The BRMG meets monthly to review ongoing risks, identify new risks and actions required to manage identified risks. FRAC comprises of two Commissioners and the Business Manager. FRAC meets quarterly and reviews the financial performance of the Commission against planned budget, reviews transactional reports and is engaged in supporting the annual audit process. FRAC activities are conducted against an annual timetable set at the beginning of each financial year. The EWG comprises of one member of each operational team in the Commission and is guided by one Member of the Commission in an advisory role. Membership is selected based on knowledge relevant to the work of the group and the ability to contribute to the mainstreaming of equality into each operational team of the Commission. The EWG meet quarterly, activities are conducted against an annual timetable set at the beginning of each financial year.

Risk and Control Framework

A Risk Management Strategy has been developed which considers the operational, financial and reputational risks to which the Commission could be exposed and details how the Commission will identify and control any such risks in accordance with best practice. A key strand is identifying and regularly reviewing the risks which may deflect the Scottish Commission for Human Rights from achieving its objectives. In 2013/14, the Commission continued to ensure that actions to control risks were undertaken and that new or changing risks were identified by the Senior Management Team. These risks are assigned to specific objectives in the operational plan. The key risk for the Commission in 2013/14 continued to be the financial risk presented by reduced funding in an environment of growing demand and a corresponding operational risk against ability to deliver to plan with reduced financial resources. This was managed in 2013/14 through continuing to identify cost savings including moving to a new IT system which will reduce IT running costs in future years while offering better IT capabilities. The Commission continues to work in partnership to deliver projects and to maximise the impact of its resources. In 2013/14 the Commission undertook a number of partnership projects including developing and launching a National Action Plan with the active support and commitment of a wide range of organisations. In 2014/15 the Commission will continue to look for opportunities to make cost savings in the business platform and will continue to work in partnership with other public bodies, civil society organisations, government and corporate stakeholders.

In 2013/14 all Members of the Commission and staff undertook training in risk management.

Review of effectiveness

As Accountable Officer I have the responsibility for reviewing the effectiveness of the Commission's Corporate Governance. The following arrangements have been established to date and are operating effectively:

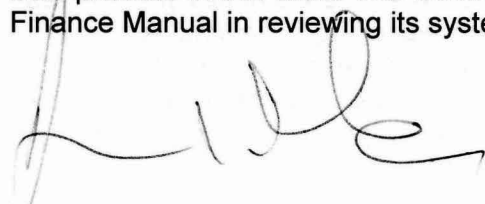
- Since being established in 2008 the Commission has met monthly to consider the plans and strategic direction of the organisation which enables us to monitor our progress and highlight any obstacles.
- The principles of the Scottish Public Finance Manual are adhered to.

- In 2011/12, to enhance Risk Management, the Business Risk Management Group (BRMG) was established comprising the staff management team and the Chair of the Commission. In 2013/14 the BRMG continued to meet monthly to monitor risk and identify new risks and issues. The BRMG has authority to take action to control risks and are responsible for managing these actions. The BRMG escalates any significant risks to the Commission.
- In 2011/12 the Commission established the Finance, Risk and Audit Committee (FRAC). FRAC meet quarterly in 2013/14 and reviewed; performance against budget, transactional reports and audit reports. FRAC provides assurance to the Commission on areas delegated to it.
- In 2013/14 the Commission continued to develop key skills in the management and staff team in areas relevant to effective management and governance, including training in PRINCE2 Project Management, Risk Management and Financial Management.
- Under the Commission's Business Excellence project in 2012/13 a review of the functions of the finance software was undertaken and work was completed in 2013/14 to enhance reporting ability.
- In 2013/14 the Commission installed a new IT system which will result in a reduction in IT running costs in future years.
- In 2013/14 the Commission ceased a lease for two desk spaces in Glasgow and reduced costs related to office rent.

In the coming year we will:

- Demonstrate our commitment to continuous improvement and best practice through a new project commencing April 2014 which focuses on continuous improvement in our approach to the management of resources.
- Continue to implement our Risk Management Strategy
- Manage risk in accordance with best practice
- Continue to develop budget monitoring and control procedures
- Seek guidance and support from our internal committees and take into account any comments made by external auditors.

More generally, the organisation is committed to a process of continuous development and improvement, developing systems in response to any relevant reviews and developments in best practice in this area. The Commission will continue to be guided by the Scottish Public Finance Manual in reviewing its systems.



Alan Miller
Chair, Scottish Commission for Human Rights

Date: 31 October 2014

Independent auditor's report to the Scottish Commission for Human Rights, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements of the Scottish Commission for Human Rights for the year ended 31 March 2014 under the Scottish Commission for Human Rights Act 2006. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2013/14 Government Financial Reporting Manual (the 2013/14 FReM).

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

Respective responsibilities of Accountable Officer and auditor

As explained more fully in the Statement of the Accountable Officer's Responsibilities the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and income. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors. I am also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Scope of the audit of the financial statements

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

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view in accordance with the Scottish Commission for Human Rights Act 2006 and directions made thereunder by the Scottish Ministers of the

state of the body's affairs as at 31 March 2014 and of its net operating cost for the year then ended;

- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2013/14 FReM; and
- have been prepared in accordance with the requirements of the Scottish Commission for Human Rights Act 2006 and directions made thereunder by the Scottish Ministers.

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.

Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Scottish Commission for Human Rights Act 2006 and directions made thereunder by the Scottish Ministers; and
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

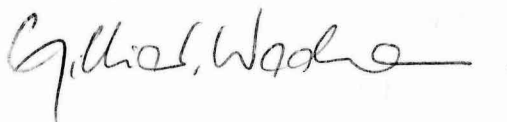
Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

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

I have nothing to report in respect of these matters.

Gillian Woolman MA FCA
Assistant Director
 Audit Scotland
 18 George Street
 Edinburgh
 EH2 2QU



Date: 31 October 2014

Scottish Commission for Human Rights
Accounts for the year ended 31 March 2014

Statement of Comprehensive Net Expenditure
Year ended 31 March 2014

Expenditure	<u>Notes</u>	2013-14 £'000	2012-13 £'000
Staff costs	3	666	656
Depreciation	6/7	2	2
Other Expenditures	5	287	321
Total expenditure for the year		<u>955</u>	<u>979</u>
Income		<u>41</u>	<u>22</u>
Net expenditure		<u>914</u>	<u>957</u>

All amounts relate to continuing activities.

The accompanying notes on pages 19 to 25 form an integral part of these Accounts.

Statement of Financial Position as at 31 March 2014

	Notes	2013-14 £'000	2012-13 £'000
Non-current assets			
Property, plant and equipment	6	21	3
Intangible assets	7	6	2
Total non-current assets		<u>27</u>	<u>5</u>
Current assets			
Trade and other receivables	8	3	7
Cash and cash equivalents	9	31	73
		<u>34</u>	<u>80</u>
Total assets		<u>61</u>	<u>85</u>
Current liabilities			
Trade and other current payables	10	(47)	(92)
Non-current assets less net current liabilities		<u>14</u>	<u>(7)</u>
Net Assets		<u>14</u>	<u>(7)</u>
Taxpayer's equity			
General Fund		15	(7)
		<u>15</u>	<u>(7)</u>

The Accountable Officer authorised these financial statements for issue on 31 October 2014.



Alan Miller
Chair
Scottish Commission for Human Rights

Date: 31 October 2014

Statement of Cash Flows for Year Ended 31 March 2014

	<u>2013-14</u>	<u>2012-13</u>	
	£'000	£'000	
<u>Cash flows from operating activities</u>			
Net Operating Cost	(914)	(957)	
Adjustment for non cash transactions			
Depreciation	2	2	
Movements in Working Capital			
Decrease/(increase) in Trade and other receivables	4	(6)	
(Decrease) in Trade and other payables	(45)	(35)	
Net cash outflow from operating activities	<u>(953)</u>	<u>(996)</u>	
<u>Cashflows from investing activities</u>			
Purchase of property, plant and equipment	(21)	(1)	
Purchase of intangible assets	(4)	(1)	
Net cash outflow from investing activities	<u>(25)</u>	<u>(2)</u>	
<u>Cashflows from financing activities</u>			
Financing from the Scottish Parliamentary Corporate Body	<u>936</u>	<u>965</u>	
Decrease in Cash	<u>(42)</u>	<u>(33)</u>	
<u>Net Increase in Cash and cash equivalents</u>			
	At 1 April 2013	Cash Flow	At 31 March 2014
	£'000	£'000	£'000
Cash at Bank and in Hand	73	(42)	31

Statement of Changes in Taxpayers' Equity for year ended 31 March 2014

	General Fund 2014	General Fund 2013
	£'000	£'000
Balance at 1 April	(7)	(15)
Net expenditure for the year	(914)	(957)
	<hr/>	<hr/>
Funding from Scottish Parliamentary Corporate Body	936	965
Balance at 31 March	<hr/> 15 <hr/>	<hr/> (7) <hr/>

NOTES TO THE ACCOUNTS

1 Statement of accounting policies

1.1 Basis of Accounting

These financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.2 Non-current assets

1.2.1 *Capitalisation*

Purchases of assets for a value exceeding £300 inclusive of irrecoverable VAT are treated as capital with the exception of land and buildings where the threshold is set at £10,000 and all other equipment where the group value exceeds £300.

1.2.2 *Valuation*

Tangible fixed assets are held at depreciated historic cost as a proxy for fair value.

1.2.3 *Depreciation*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation in equal instalments over the remaining estimated useful life of the asset. These are as follows:

Furniture and equipment 5 years
Fixtures & Fittings 5 years
IT Equipment 3 years

Intangible assets

- 1.3** Software and licenses are capitalised as intangible fixed assets and amortised on a straight line basis over the expected life of the asset up to a maximum of 3 years.

NOTES TO THE ACCOUNTS

1.4 Funding

Funding received from the SPCB is credited directly to the general fund in the period to which it relates.

1.5 Leases

Costs in respect of operating leases are charged to the income and expenditure account as they fall due. The Scottish Commission for Human Rights is co-located with the Scottish Public Services Ombudsman in Edinburgh and with the Scottish Council for Voluntary Organisations in Glasgow. The Edinburgh office is the subject of a 'Letter of Agreement for Shared Premises' which commenced on 8 July 2011 for an initial period of 12 months and is reviewed annually. The Glasgow desks were subject to a license agreement and expired on 31st March 2014 and was not renewed. The Scottish Commission for Human Rights holds an operating lease with Scottish Government for the provision of IT services and equipment. The agreement was effective from 1st October 2008 and is ongoing.

1.6 Pension Costs

The Commission Members

Pension contributions of £18,774 were made on behalf of the Chair to a defined contribution scheme and no further liability therefore exists on the organisation with regard to these contributions. The part time members posts are not pensionable.

Employees

The staff of the Commission are members of the Civil Service Pension Schemes. This is an unfunded multi-employer defined benefit scheme. The Commission is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet office: Civil Superannuation (www.civilservice-pensions.gov.uk)

1.7 Value Added Tax

The Commission is not VAT registered. All VAT except that on purchase of non-current assets is charged to the income and expenditure account.

1.8 Financial Instruments

As the cash requirements of the Commission are met by the Scottish Parliamentary Corporate Body through the spending review process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Commission's expected purchase and usage requirements and the Commission is therefore exposed to little credit, liquidity or market risk.

2 Performance Against Budget

The Commission is funded through the SPCB. For financial year 2013-14, the Commission was allocated a budget of £935,858. This consisted of core funding of £909,451 and contingency funding for IT expenditure of £26,407.

	2013-14 Budget £'000	2013-14 Expenditure £'000
Net Operating Cost	909	914
Capital Expenditure	26	25
Total Expenditure	<u>935</u>	<u>939</u>
Accruals adjustments:		
Non cash items	0	(2)
Working capital (including cash)	0	(1)
Cash Funding from SPCB	<u>935</u>	<u>936</u>

3 Staff Numbers and Costs

3.1 *Average Staff Employed (Full Time Equivalent)*

The average number of full time equivalent (FTE) persons employed by the Commission during the period was as follows:

	<u>2013-14</u> FTE	<u>2012-13</u> FTE
Chair and members	1.3	1.3
Staff	10.8	10.1
	<u>12.1</u>	<u>11.4</u>

3.2 Commission members and staff costs

Staff costs	<u>2013-14</u>	<u>2012-13</u>
	£'000	£'000
Salaries / wages	426	408
Social security costs	36	35
Pension costs	75	85
	<u>537</u>	<u>528</u>
Commission members		
Salaries / wages	100	100
Social security costs (Chair)	10	10
Pension costs (Chair)	19	18
	<u>129</u>	<u>128</u>
Total Costs	<u>666</u>	<u>656</u>

The post of Chair of the Commission was not admitted to the Civil Service Pension Schemes. The arrangement is that equivalent employer's contributions that would have been paid into the Civil Service Pension Schemes are paid into the Chair's personal pension. Employer contributions are not made for other Commission members.

All staff costs relate to permanently employed staff.

4 Staff pension costs

For 2013-14 the employer's contributions of £74,770 (2013 - £85,258) were payable to the PCSPS at one of four rates in the range 16.7 to 24.3 per cent of pensionable pay, based on salary bands.

The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. From 2006-07, the salary bands were revised and the rates will be in a range between 16.7% and 24.3%.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Outstanding scheme contributions at 31 March 2014 amounted to £0k (2013 - £0k).

On death, pensions are payable to the surviving spouse at the rate of half of the member's pension. On death in service, the scheme pays a lump sum benefit of at least twice pensionable pay, depending on scheme joined within PCSPS, and also provides a service enhancement on computing the spouse's pension. The enhancement depends on the length of service and cannot exceed ten years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

5 <u>Other expenditures</u>	<u>2013-14</u>	<u>2012-13</u>
	£'000	£'000
Operational costs	130	168
Property costs	62	63
IT costs	18	23
Training, conferences and subscriptions	11	12
Auditor's remuneration	12	12
Printing, stationery & library costs	4	10
General office costs	13	12
Travel, subsistence and hospitality	32	10
Legal and consultancy fees	4	2
Recruitment Costs	1	9
	<u>287</u>	<u>321</u>

The above total includes £12,000 for external auditor's remuneration.

The above includes travel by the Director of the Secretariat of European Network of National Human Rights Institutions, funded by a grant from Office of the High Commissioner for Human Rights.

6 Property, plant and equipment

	<u>IT</u>	<u>Total</u>
	£'000	£'000
<u>Cost</u>		
At 1 April 2013	24	24
Additions	21	21
Disposals	<u>(17)</u>	<u>(17)</u>
At 31 March 2014	28	28
<u>Accumulated depreciation</u>		
At 1 April 2013	21	21
Charge for Year	2	2
Disposals	<u>(17)</u>	<u>(17)</u>
At 31 March 2014	7	7
<u>Net Book Value at</u>		
At 31 March 2014	<u>21</u>	<u>21</u>
At 31 March 2013	<u>3</u>	<u>3</u>

7 Intangible assets

	IT	Total
	<u>£'000</u>	<u>£'000</u>
<u>Cost</u>		
At 1 April 2013	9	9
Additions	4	4
Disposals	(7)	(7)
At 31 March 2014	<u>6</u>	<u>6</u>
<u>Accumulated depreciation</u>		
At 1 April 2013	7	7
Charge for Year	0	0
Disposals	(7)	(7)
At 31 March 2014	<u>0</u>	<u>1</u>
<u>Net Book Value at</u>		
At 31 March 2014	<u>6</u>	<u>6</u>
At 31 March 2013	<u>2</u>	<u>2</u>

Depreciation is nil due to disposal of depreciated assets which were replaced in Feb 2014.

Depreciation for new assets was for 1 month only in March 2014 and was less than £1000.

8 Other current assets

	<u>2013-14</u>	<u>2012-13</u>
	<u>£'000</u>	<u>£'000</u>
Trade receivables	1	0
Prepayments and accrued income	<u>2</u>	<u>7</u>
	<u>3</u>	<u>7</u>

9 Cash and cash equivalents

	<u>2013-14</u>	<u>2012-13</u>
	<u>£'000</u>	<u>£'000</u>
Balance at 1 April	73	106
Net change in cash and cash equivalents	<u>(42)</u>	<u>(33)</u>
Balance at 31 March	<u>31</u>	<u>73</u>

The following balances at 31 March were held at:

Commercial Banks	<u>31</u>	<u>73</u>
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10 Trade payables and other current liabilities

	<u>2013-14</u>	<u>2012-13</u>
	<u>£'000</u>	<u>£'000</u>
Trade payables	5	9
Accruals and deferred income	42	83
	<u>47</u>	<u>92</u>

11 Capital Commitments

There were no contracted capital commitments as at 31 March 2014 (2013:£nil).

12 Contingent Liabilities

There were no contingent liabilities as at 31 March 2014 (2013:£nil).

13 Related Party Transactions

The Commission was constituted by the Scottish Parliament which provides funding via the Parliamentary Corporate Body (SPCB). The SPCB is regarded as a related body.

During the year the Commission had transactions with the Scottish Public Service Ombudsman (SPSO) relating to rental of office accommodation totalling £55k (2012 - £52k) and with the Scottish Government for IT system rental totalling £18k (2012 - £19k). At the 31st March there were no outstanding balances with either the Scottish Government or SPSO (2012 - £nil).

Neither the Chair, Commission members or staff has undertaken material transactions with the Commission during the year.

14 Commitments under Operating Leases

	Buildings & equipment <u>£'000</u>
At 31 March the Commission was committed to making the following payments in respect of operating leases expiring:	
within one year	<u>74</u>

15 Post Balance Sheet Events

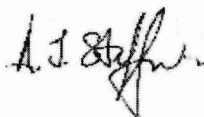
No event has occurred since the date of the balance sheet which materially affects the financial statements.



Scottish Commission for Human Rights

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Schedule 1, paragraph 15 of the Scottish Commission for Human Rights Act 2006, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2009, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts.



Signed by the authority of the Scottish Ministers

Dated: 18 October 2008