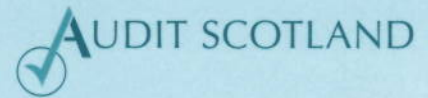


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Alan Miller
Scottish Commission for Human Rights
4 Melville Street
Edinburgh
EH3 7NS

11 October 2012

RECEIVED
12 OCT 2012

Dear Mr Miller

**Scottish Commission for Human Rights
Audit for the year ended 31 March 2012**

In terms of section 22(4) of the Public Finance and Accountability (Scotland) Act 2000, I enclose the audited accounts of the Scottish Commission for Human Rights for the 12 months ended 31 March 2012 which incorporate the auditor's report. I have decided not to report under section 22(3) of the Act in this case.

Section 22(5) of the Act requires the Scottish Ministers to lay before the Parliament a copy of the accounts and the auditor's report and to publish the accounts and auditor's report, by no later than 31 December 2012.

If you have any questions regarding this letter, please contact Bob Leishman (0131 625 1827) within the Best Value and Scrutiny Improvement Group of Audit Scotland.

Yours sincerely

A handwritten signature in black ink that reads 'Caroline Gardner'.

Caroline Gardner
Auditor General for Scotland

Enc

Scottish Commission for Human
Rights

**Scottish Commission for Human
Rights**

Annual Accounts

Year Ended 31 March 2012

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MANAGEMENT COMMENTARY

The accounts for the financial year ended 31 March 2012 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.

Background Information

The Scottish Commission for Human Rights Act 2006 was passed by the Scottish Parliament on 2nd November 2006 and received Royal Assent on 8th December 2006. It provides for the establishment of a body corporate to be known as the Scottish Commission for Human Rights ("SCHR").

Statutory Powers and Responsibilities

The Scottish Commission for Human Rights Act 2006 (the Act), sets out the general duty and powers of SCHR. Under the Act the Commission has a general duty to promote awareness, understanding and respect for human rights, and in particular to encourage best practice in relation to human rights. SCHR fulfils this duty through education, training, awareness raising and research, as well as by recommending such changes to Scottish law, policy and practice as our work demonstrates are needed.

SCHR's other statutory functions are to:

- Conduct inquiries into the policies or practices of Scottish public authorities, where relevant to the promotion of awareness, understanding and respect for human rights;
- Enter places of detention as part of an inquiry;
- Intervene in civil court cases where relevant to the promotion of human rights and where the case appears to us to raise a matter of public interest.

Financial Position

Financial Year 2011-12 was SCHR's third full year of operation. SCHR's net expenditure on operating activities for the year ended 31 March 2012 totalled £976k (2011 - £1,004k). This was on staff costs £647k (2011 - £602k), other operating costs £322k (2011 - £413k) and depreciation £7k (2011 - £9k). Details of operating expenditure are shown in note 5 to the Accounts.

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

The Scottish Parliament awarded SCHR a cash budget of £960,000 for financial year 2011-12 (2010-11 - £1,000,000).

Pensions

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

Payment of Creditors

The SCHR 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, they are due to be paid within 10 days of receipt of the goods or services. Payment performance for invoices in 2011-12 was 68% (2011 – 68%). The average time to pay suppliers in 2011-12 was 12 days (2011 – 10 days).

Review of 2011 / 2012

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.

Among other achievements:

- In November 2011 an independent evaluation of the Commission's Care about Rights project was produced by Ekosgen, a social and economic research organisation. The results of the Care about Rights training programme are impressive, and show that Care about Rights has made a significant contribution to promoting the human rights of older people within the care sector within a relatively short period of time. Evidence from the study shows substantial increases in knowledge and confidence by the training participants who took part in the evaluation.
- The work of the Commission in monitoring and making recommendations relating to legislation and policy in Scotland and the UK has grown in the past year. Several of its consultation and policy responses have impacted on the development of legislation, improved understanding of current issues and added new elements to legislation and ongoing debate at the Scottish Parliament, UK Parliament and with both Governments. During 2011 / 2012 the Commission submitted responses to a wide range of consultations and calls for evidence, including Scottish police force reform, the regulation of care of older people, the UK Bill of Rights, European social care procurement, The Scotland Bill, an Inquiry on the right to independent living, and football related offences.
- In 2011 / 2012 the Commission represented Scotland as a member of the Advisory Panel to the Commission of Inquiry on a UK Bill of Rights, due to report later this year. This Commission of Inquiry was initiated in a climate of hostility towards the Human Rights Act within parts of the UK government, and the advice given by the Commission to the Inquiry has been to maintain the Human Rights Act, which plays a particularly important role in Scotland's constitutional arrangements, and to build upon the Act through the incorporation of all of the UK's international human rights treaty obligations.
- As a partner with the British Institute for Human Rights the Commission co-hosted two public workshops in Glasgow (November 2011) and Dundee (December 2011) as part of the 16 City UK National Human Rights Tour. These events brought together over 120 people from the third sector, civil society, professional activists, campaigners and those wanting to learn more about human rights in Scotland and the UK.

- The Commission has been closely involved with the process of acknowledgement and accountability for adult survivors of historic abuse in Scotland. In February 2010 the Commission published a human rights framework that highlighted routes to access to justice. The framework continues to be widely welcomed, particularly by survivors of abuse. In 2011/12 the Commission called on the Scottish Government and others with responsibilities to take part in human rights interactions with survivors of historic abuse to develop an action plan to implement the framework. In November 2011 the Commission gave oral evidence to the Public Petitions Committee who were examining petition PE1351, Institutional Child Abuse (Victims' Forum and Compensation). During its evidence the Commission reiterated that it is the state which has ultimate responsibility to remedy abuse under international law. As a result of that evidence Scottish Ministers committed to engage with the Commission's proposal to host interactions in 2012. Preparations are underway for the interactions.
- The Commission was appointed as an independent mechanism responsible for promoting, protecting and monitoring the implementation of the Convention on the Rights of Persons with Disabilities upon ratification by the UK in June 2009, and throughout 2011 / 2012 significant work has continued under each of these three areas. Particularly with regard to promotional activities through a series of outreach events, training seminars and the production of an awareness raising animation film.
- Arguably, there is no greater challenge to the realisation of human rights than the impact of climate change and in 2011 / 2012 the Commission has championed climate justice, a human rights based approach to addressing climate change, both nationally and internationally. There is real potential for Scotland to become a model for the promotion of climate justice, as demonstrated in March when the Scottish Parliament became the first legislature in the world to pass a motion - unanimously - to promote climate justice.
- In September 2011 the Commission began using the social media tool Twitter to strengthen connections with stakeholders, other NHRIs and communities of interest in human rights and the law in Scotland. The Commission website – www.scottishhumanrights.com – offers users a permanent source of signposting advice on human rights issues, news, research articles and publications, as well as Commission meeting minutes, audited accounts and strategic documents. Unique visitors to the website increased by 57% in 2011 / 2012, with overall website traffic increasing by 51%.
- To raise awareness of human rights with people in Scotland across different communities of activism the Commission organised and took part in key events and opportunities in the fields of arts and culture. These included supporting the Document 9 International Human Rights Film Festival, the Festival of Politics at the Scottish Parliament, and participating in Knowing Ways: Critical Thinking in Arts Practice exploring the role of arts practice in human rights.
- The Commission was elected to Chair the European Group of National Human Rights Institutions. As Chair the Commission has successfully engaged with the Council of Europe process considering reform of the European Court of Human Rights and contributed to the defence of the Court's independence and powers.

The Commission participates in a number of international working groups of national human rights institutions.

- A Report by the Commission, which is recognised by the UN as a Category A national human rights institution, on the UK's implementation of all of its UN human rights treaty obligations, as well as other engagement with UN member states, will influence the recommendations from the Human Rights Council to the UK Government later this year. In turn, such recommendations will then inform the development of Scotland's National Action Plan for Human Rights.

Future Development

In its third Operational Plan period (2012-2014) the Commission will:

- Lead the process of developing Scotland's National Action Plan for Human Rights. This will be based upon the findings of the Commission's major "mapping" research project which will be published later this year and which explored the extent to which the UK's international human rights legal obligations are being realised in Scotland. The National Action Plan will then be developed in a participative and inclusive process to serve as a roadmap for the progressive realisation of all human rights: civil and political, economic, social and cultural. The Commission will support independent monitoring of the implementation of Scotland's National Action Plan for Human Rights.
- Communicate human rights effectively through diverse media and engagement.
- Promote a human rights based approach to health and social care sectors and develop a capacity building plan to support the implementation of Scotland's National Action Plan for Human Rights.
- Promote best practice approaches to the integration of equality and human rights impact assessment.
- Use innovative human rights based negotiation approaches to pursue justice for survivors of historic child abuse.
- Influence the development of law and policy in Scotland.
- Use its legal powers to protect human rights through intervention in civil court cases and assess the requirements to use its inquiry powers.
- Contribute effectively to the work of the International Coordinating Committee of national human rights institutions
- Promote, protect and monitor the implementation of the UN Convention on the Rights of Persons with Disabilities and the UN Convention Against Torture
- Promote international accountability and empower civil society in Scotland on international human rights law.

The Scottish Commission for Human Rights

The members of the Commission:

The Chair: Professor Alan Miller
Appointed: 3 March 2008 (for a period of 5 years)

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

Equal Opportunities

The Commission supports the principle of equal opportunities in carrying out operational functions and employment practices. This means it is committed to pursuing positive action in its organisation's policies and practices to ensure that no individual is discriminated against, either directly or indirectly, unlawfully or unjustifiably because of their personal status in relation to race, ethnic or national origin, religion, age, gender, sexual or marital status or disability.

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.

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.

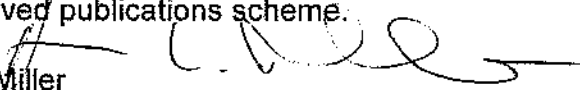
Audit

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.

Register of Interests

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.


Alan Miller
Chair, Scottish Commission for Human Rights

Date: 01/10/2012

REMUNERATION REPORT

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

- The Chair's appointment is for a period of 5 years and the members for 3 or 4 years
- The Chair's and Member's 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 2011-12.

Remuneration	2011-12 £'000	2010-11 £'000
Chair Salary – Prof. Alan Miller	75 -80	75 -80
Part Time Members' Salary:		
Kay Hampton	5 -10	5 -10
Shelagh McCall	5 -10	5 -10
Matt Smith	5 -10	0 -5
Benefits in kind	Nil	Nil

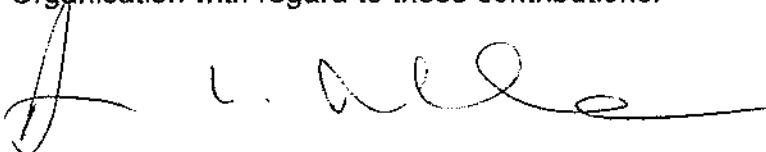
Salary includes basic salary and does not include employer National Insurance or pension contributions.

No members of SCHR's staff left under voluntary or compulsory exit schemes in 2011-12 (2010-11 nil).

The highest paid member of the senior management team was the Chair. His salary was 2.5 times the £30,814 median salary paid to SHRC staff in 2011/12 (2010/11 – 2 times £38,513).

Pension Benefits

Pension contributions of £18,681 (2011 - £19,142) 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: 01/10/2012

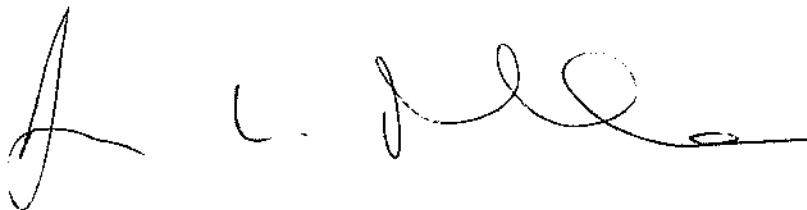
STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

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.



Alan Miller
Chair, Scottish Commission for Human Rights

Date: 01/10/2012

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 Corporation (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 Commission in the exercise of its functions. 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 five year term, with a maximum of two terms. The Chair can only be removed before the end of a term by a two thirds majority vote of the Scottish Parliament. The Commission comprises of the Chair of the Commission and three Commissioners appointed by the Scottish Parliament for terms of four years, with a maximum of two terms. The Chair of the Commission is the Accountable Officer.

the Commission is supported by ten members of staff who are employed by the Commission. The staff management team comprises of Head of Legal and Strategy, the Business Manager and the Communications 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 biannual Operational Plans. The Commission operational plans are linked to our budget and risk management strategy and delivery of plans are supported by a full staff performance management system 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 ongoing 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 and a Business Risk Management Group (BRMG) which was established in 2011/12. The Commission reviews performance against strategic and operational plans on a monthly basis and receives assurances from the BRMG and FRAC on use of

resources, financial performance and on new and ongoing 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 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 Legal and Strategy, the Business Manager and the Communications Manager. The BRMG meets monthly to review ongoing risks, identify new risks and mitigation 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, reviews the risk register maintained by the BRMG 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.

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 to and details how the Commission will identify and mitigate 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 2011/12, the Commission continued to ensure that actions to eliminate or reduce 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 2011/12 was the financial risk presented by reduction in funding and a corresponding operational risk against ability to deliver to plan with reduced financial resources. This was mitigated in 2011/12 through identifying cost savings in the business platform, primarily through undertaking relocation to lower cost premises during 2011/12. In 2012/13 the Commission will continue to look for cost savings in the business platform.

The Commission has sufficient capacity to monitor and manage any identified risks as specific members of staff will be responsible for the objectives in the operational plans which are linked to the risk register. This allows for continual observation of activity and early identification of possible risks and is reported to the senior management team.

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 of the staff management team and the Chair of the Commission. The BRMG meets monthly and is responsible for monitoring risk

and identifying new risks and issues. The BRMG has authority to take action to mitigate risks and are responsible for managing these actions. The BRMG escalates any significant risks to the Commission. FRAC review the monthly reports from the BRMG on a quarterly basis.

- In 2011/12 the Commission established the Finance, Risk and Audit Committee (FRAC). FRAC meets quarterly and reviews, performance against budget, transactional reports, risk reports and audit reports. FRAC provides assurance to the Commission on areas delegated to it through the Terms of Reference for the Finance, Risk and Audit Committee.

In the coming year we will:

- Demonstrate our commitment to continuous improvement and best practice by implementing an 18 month Business Excellence project that will commence in April 2012.
- 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 committee 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: 01/10/2012

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 2012 in accordance with 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 Cash Flows, the Statement of Changes in Taxpayers Equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2011/12 Government Financial Reporting Manual (the 2011/12 FReM).

This report is made solely to the parties to whom it is addressed in accordance with the Scottish Commission for Human Rights Act 2006 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts, disclosures, and regularity of expenditure and income 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. In addition, I read all the financial and non-financial information in the Annual Accounts to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements 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 2012 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 2011/12 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.

Mark Ferris BA FCCA *Mark Ferris*
Senior Audit Manager
Audit Scotland
18 George St
Edinburgh
EH2 2QU

Date: 1 October 2012

Statement of Comprehensive Net Expenditure
Year ended 31 March 2012

Expenditure	<u>Notes</u>	2011-12 £'000	2010-11 £'000
Staff costs	3	647	602
Depreciation	6/7	7	9
Other Expenditures	5	322	413
Total expenditure for the year		<u>976</u>	<u>1,024</u>
Income		<u>0</u>	<u>20</u>
Net expenditure		<u>976</u>	<u>1,004</u>

All amounts relate to continuing activities. There have been no gains or losses other than those recognised in the Statement of Comprehensive Net Expenditure.

The accompanying notes on pages 18 to 24 form an integral part of these Accounts.

Statement of Financial Position as at 31 March 2012

	<u>Notes</u>	<u>2011-12</u> £'000	<u>2010-11</u> £'000
Non-current assets			
Property, plant and equipment	6	4	9
Intangible assets	7	1	3
Total non-current assets		<u>5</u>	<u>12</u>
Current assets			
Trade and other receivables	8	1	17
Cash and cash equivalents	9	106	69
		<u>107</u>	<u>86</u>
Total assets		<u>112</u>	<u>98</u>
Current liabilities			
Trade and other current payables	10	(127)	(97)
Non-current assets less net current liabilities		<u>(15)</u>	<u>1</u>
Net Assets		<u>(15)</u>	<u>1</u>
Taxpayer's equity			
General Fund		(15)	1
		<u>(15)</u>	<u>1</u>

The Accountable Officer authorised these financial statements for issue on 01 October 2012


 Alan Miller
 Chair
 Scottish Commission for Human Rights

01/10/2012

Statement of Cash Flows for Year Ended 31 March 2012

	<u>2011-12</u>	<u>2010-11</u>
	£'000	£'000
<u>Cash flows from operating activities</u>		
Net Operating Cost	(976)	(1,004)
Adjustment for non cash transactions		
Depreciation	7	9
Movements in Working Capital		
Decrease/(increase) in Trade and other receivables	16	0
(Decrease) / Increase in Trade and other payables	30	34
Net cash outflow from operating activities	<u>(923)</u>	<u>(961)</u>
<u>Cashflows from investing activities</u>		
Purchase of property, plant and equipment	0	(3)
Purchase of intangible assets	0	(1)
Net cash outflow from investing activities	<u>0</u>	<u>(4)</u>
<u>Cashflows from financing activities</u>		
Financing from the Scottish Parliamentary Corporate Body	960	998
Increase in Cash	<u>37</u>	<u>33</u>
<u>Net Increase in Cash and cash equivalents</u>		
	At 1 April	At 31 March
	2011	2012
	£'000	£'000
Cash at Bank and in Hand	69	106

Statement of Changes in Taxpayers' Equity for year ended 31 March 2012

	General £'000	Total £'000
Balance at 1 April 2011	1	1
Changes in taxpayers equity for 2011-12		
Net expenditure for the year	(976)	(976)
Total recognised income and expense for 2011-12	(975)	(975)
Funding from Scottish Parliamentary Corporate Body	960	960
Balance at 31 March 2012	(15)	(15)

NOTES TO THE ACCOUNTS

1 Statement of accounting policies

1.1 Basis of Accounting

These financial statements have been prepared in accordance with the 2010-11 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of SCHR for the purpose of giving a true and fair view has been selected. The particular policies adopted by the SCHR 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 UK Equality and Human Rights Commission 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 at which time the arrangement will be reviewed. The property lease in Glasgow expired on 8th July, 2011 and was replaced by rolling 3 month agreement. 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 £18,681 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. The part time members posts are not pensionable.

Employees

The staff of the SCHR are members of the Civil Service Pension Schemes. This is an unfunded multi-employer defined benefit scheme. SCHR 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)

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal actuarial valuations shall be four years, with approximate assessments in intervening years."

The last formal actuarial valuation undertaken for the SCHR was completed in 2007. Consequently, a formal actuarial valuation would have been due by 2011. However, formal actuarial valuations for unfunded public service pension schemes have been suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions and while future scheme terms are developed as part of the reforms to public service pension provision. The primary purpose of the formal actuarial valuations is to set employer and employee contribution rates, and these are currently being determined under the new scheme design.

Approximate actuarial assessments in intervening years between formal valuations using updated membership data are accepted as providing suitably robust figures for financial reporting purposes. However, as the interval since the last formal actuarial valuation now exceeds four years, the amounts recognised in these financial statements have been prepared using full membership data as at 2007, such as would have been provided for a formal valuation. In undertaking this valuation, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

1.7 Value Added Tax

SCHR is not VAT registered. All VAT is charged to the income and expenditure account.

1.8 Financial Instruments

As the cash requirements of the SCHR 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 SCHR's expected purchase and usage requirements and SCHR is therefore exposed to little credit, liquidity or market risk.

2 Performance Against Budget

SCHR is funded through the SPCB. For financial year 2011-12, SCHR was allocated a budget of £960,000.

	2011-12 Budget £'000	2011-12 Expenditur £'000
Net Operating Cost	959	976
Capital Expenditure	1	0
Total Expenditure	960	976
Accruals adjustments:		
Non cash items	0	(7)
Working capital (including cash)	0	(9)
Cash Funding from SPCB	960	960

3 Staff Numbers and Costs

3.1 *Average Staff Employed (Full Time Equivalent)*

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

	<u>2011-12</u> FTE	<u>2010-11</u> FTE
Chair and members	1.3	1.3
Staff	11.0	9.9
	12.30	11.2

3.2 Commission members and staff costs

Staff costs	<u>2011-12</u>	<u>2010-11</u>
Salaries / wages	403	373
Social security costs	34	30
Pension costs	82	74
	<u>519</u>	<u>477</u>
 Commission members		
Salaries / wages	100	96
Social security costs	10	10
Pension costs	18	19
	<u>128</u>	<u>125</u>
	<u>647</u>	<u>602</u>

The post of Chair of the SCHR 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.

All staff costs relate to permanently employed staff.

4 Staff pension costs

For 2011-12 the employer's contributions of £81,995 (2011 - £73,843) 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 2012 amounted to £8k (2011 - £7k).

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 expenditure</u>	<u>2011-12</u>	<u>2010-11</u>
	£'000	£'000
Operational costs	165	219
Property costs	78	105
Website costs	0	4
IT costs	20	20
Training, conferences and subscriptions	6	9
Auditor's remuneration	12	16
Printing, stationery & library costs	13	15
General office costs	10	13
Travel, subsistence and hospitality	14	8
Legal and consultancy fees	4	3
Recruitment Costs	0	1
	<u>322</u>	<u>413</u>

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

6 Property, plant and equipment

	IT	Total
	£'000	£'000
<u>Cost</u>		
At 1 April 2011	23	23
Additions	0	0
Disposals	0	0
At 31 March 2012	<u>23</u>	<u>23</u>
<u>Accumulated depreciation</u>		
At 1 April 2011	14	14
Charge for Year	5	5
Disposals	0	0
At 31 March 2012	<u>19</u>	<u>19</u>
<u>Net Book Value at</u>		
At 31 March 2012	<u>4</u>	<u>4</u>
At 31 March 2011	<u>9</u>	<u>9</u>

7 Intangible assets

	<u>IT</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
<u>Cost</u>		
At 1 April 2011	8	8
Additions	0	0
Disposals	0	0
At 31 March 2012	8	8
<u>Accumulated depreciation</u>		
At 1 April 2011	5	5
Charge for Year	2	2
Disposals	0	0
At 31 March 2012	7	7
<u>Net Book Value at</u>		
31 March 2012	1	1
31 March 2011	3	3

8 Other current assets

	<u>2011-12</u> <u>£'000</u>	<u>2010-11</u> <u>£'000</u>
Prepayments	1	17

9 Cash and cash equivalents

	<u>2011-12</u> <u>£'000</u>	<u>2010-11</u> <u>£'000</u>
Balance at 1 April	69	37
Net change in cash and cash equivalents	37	32
Balance at 31 March	106	69

The following balances at 31 March were held at:

Commercial Banks	106	69
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10 Trade payables and other current liabilities

	2011-12	2010-11
	£'000	£'000
Trade payables	48	5
PAYE and National Insurance	11	9
Pension Contributions	8	7
Accruals	60	76
	127	97

11 Capital Commitments

There were no contracted capital commitments as at 31 March 2012 (2011:£nil).

12 Contingent Liabilities

There were no contingent liabilities as at 31 March 2012 (2011:£nil).

13 Related Party Transactions

SCHR 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 SCHR had transactions with the Scottish Government relating to rental of office accommodation totalling £52k (2011 - £10k) and with SPCB for IT system rental totalling £19k (2011 - £19k). At the 31st March there were no outstanding balances with either the Scottish Government or SPCB (2011 - £nil).

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

14 Commitments under Operating Leases

	Buildings & equipment <u>£'000</u>
At 31 March SCHR was committed to making the following payments in respect of operating leases expiring:	
within one year	79
between 2 and 5 years	0

15 Post Balance Sheet Events

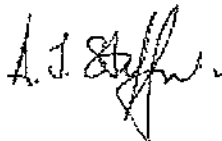
No event has occurred since the date of the balance sheet which materially affects the financial statements.



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: 16 October 2008