

Scottish Commission for Human  
Rights

**Scottish Commission for Human  
Rights**

**Annual Accounts**

**Year Ended 31 March 2011**

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## **Management Commentary**

The accounts for the financial year ended 31 March 2011 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 2<sup>nd</sup> November 2006 and received Royal Assent on 8<sup>th</sup> 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 where our work demonstrates changes 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 2010-11 was SCHR's second full year of operation. SCHR's net expenditure on operating activities for the year ended 31 March 2011 totalled £1,005k (2010 - £967k). This was on staff costs £602k (2010 - £550k), other operating costs £414k (2010 - £435k) and depreciation £9k (2010 - £8k). 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 £1,000,000 for financial year 2010-11 (2009-10 - £1,000,000).

## **Pensions**

Details of pension contributions can be found in notes 1.7, 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 30 days of receipt of the goods or services. Payment performance for invoices in 2010-11 was 97.3% (2010 – 96.9%). The average time to pay suppliers in 2010-11 was 10 days which meets the Scottish Government target of 10 days.

## **Review of 2010 / 2011**

SCHR has continued to contribute to the promotion and protection of human rights in Scotland by delivering a range of activities in line with the Strategic and Operational Plans.

Among other achievements, SCHR:

- Responded to concerns about the standard of care for older and vulnerable adults by developing and delivering an awareness raising and training package to the care and support sector called Care about Rights. Around 1,000 care workers and managers have participated in the training, with an e-version of the training available online. Interim evaluation evidence, provided independently, shows that an average of 91% of Care about Rights training participants said the materials increased their knowledge of human rights and of adopting a human rights based approach. An average of 91% also said that they found the training “interesting and engaging”. Care about Rights was developed and delivered with the support of partners, in particular the Private Care Sector Workforce Initiative team at Scottish Care, and supported by the Care Commission, Age Scotland and Alzheimer’s Scotland.
- Bid for and hosted a major international human rights conference, the 10<sup>th</sup> International Conference of National Human Rights Institutions, at the Scottish Parliament, including a keynote address from Navi Pillay, the United Nations High Commissioner for Human Rights. This was the first United Nations event to take place in Scotland, and resulted in the agreement of the Edinburgh Declaration on business and human rights. Delegates from human rights commissions, campaigning organisations, national governments and the voluntary sector from around 80 countries attended, and the conference included a high level of engagement with the Scottish and international human rights communities.
- Made a series of recommendations to integrate human rights considerations into social care commissioning and procurement processes in response to the Scottish Procurement Directorate Joint Improvement Team’s consultation of January 2010. Many of the recommendations, such as to include human rights in technical specifications, selection and award criteria and contractual terms were included in the final Social Procurement Guidance.
- Has advised through consultation responses, evidence to committees and in media interviews on a range of legal reform topics including the Reference Group to the Carolway Review, on the Double Jeopardy (Scotland) Bill, on Devolution

issues and Acts of the Lord Advocate. Eleven consultation submissions to the Scottish and UK Governments and Parliaments were made on a range of topics.

- Carried out an in-depth 'mapping' exercise of the current realisation of human rights in Scotland. The first phase of this project included developing a database of organisations whose remits include supporting the promotion of human rights and collecting through a number of data sources three reviews of legal literature, a bibliography of social research, a collation of print media, all of which were analysed through a human rights lens to draw out key issues of concern.
- Published research on Human Rights Impact Assessments (HRIAs). HRIAs are one of the key ways in which human rights, and a culture of human rights, can be systematically mainstreamed and embedded into the policies, practices, procedures and priorities of government, public and private bodies. The research provides an information base regarding current practice in undertaking HRIAs, across the UK and internationally.
- Promoted the United Nations Convention on the Rights of Persons with Disabilities in partnership with the Equality and Human Rights Commission in Scotland. This included capacity building training on UN treaty body mechanisms for civil society groups working with and on behalf of disabled people, and a Participation Day aimed at harder to reach disabled people took place across the country. SCHR is a member of the independent mechanism responsible for promoting, protecting and monitoring the implementation of the Convention in Scotland.
- Undertook a range of activities on business and human rights including responding to draft Guiding Principles for the Implementation of the United Nations 'Protect, Respect and Remedy' Framework created by Professor John Ruggie, the United Nations Secretary General's Special Representative (SRSG) on Business and Human Rights and acting on the International Coordination Committee of NHRIs Working Group on Business and Human Rights and at the Equality and Human Rights Commission business and human rights working group.
- Was appointed Chair of the working group on climate change and human rights within the Commonwealth Forum of National Human Rights Institutions and continued to advocate for a human rights based approach to climate change and climate justice.
- Contributed effectively to the work of the International Coordinating Committee of national human rights institutions.
- Responded effectively to emerging opportunities and threats to human rights in Scotland.
- Communicated human rights effectively through diverse media and engagement.

## **Future Development**

In its second Operational Plan period (2010-2012) SCHR will:

- Promote a human rights based approach to care through a sustainable programme of training and awareness raising on human rights with the Scottish Care Commission, care providers, older people and relevant sections of civil society
- Promote a human rights based approach to health care
- Promote a human rights based approach to adult protection
- Develop tools to support the integration of human rights into the governance of Scotland
- Undertake a major research project to map the gaps and the good practices in the realisation of human rights in Scotland
- Promote a National Action Plan for Human Rights in Scotland
- Contribute effectively to the work of the International Coordinating Committee of national human rights institutions
- Promote, protect and monitor the UN Convention on the Rights of Persons with Disabilities and the UN Convention Against Torture
- Respond effectively to emerging opportunities and threats to human rights in Scotland
- Communicate human rights effectively through diverse media and engagement

## **The Scottish Commission for Human Rights**

The members of SCHR are:

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 (for a period of 4 years)

Matt Smith

Appointed: 1 September 2010 (for a period of 4 years)

## **Equal Opportunities**

SCHR 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**

SCHR 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**

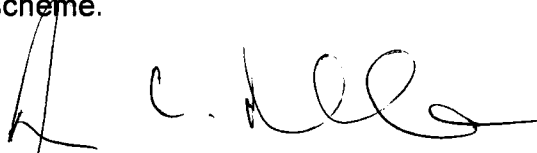
As Accountable Officer, I am not aware of any relevant information of which our auditors are unaware. I have taken all necessary steps to ensure that I myself am aware of any relevant information and to establish that the auditors are also aware of this information.

### **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**

SCHR maintains a register of company directorships and other significant interests held by the Commission members and SCHR 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 SCHR as a Scottish public authority. This creates a range of duties on SCHR 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 SCHR has a records management system and an approved publications scheme.



Alan Miller  
Chair, Scottish Commission for Human Rights

15/09/11

Date: 15<sup>h</sup> September 2011

## 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 4 years
- The Chair's and Member's salaries 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 £250 up to a maximum of 30 days per year which equates to a maximum pay of £7,500 per annum per part time member.

The part-time Members' posts are non-pensionable. The Chair was employed on a full-time basis in 2010-11.

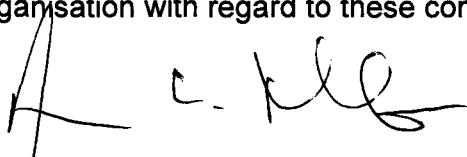
<b>Remuneration</b>	<b>2010-11 £'000</b>	<b>2009-10 £'000</b>
Chair Salary – Prof. Alan Miller	75 -80	75 – 80
Part Time Members' Salary:		
Kay Hampton	5 -10	5 -10
Shelagh McCall	5 -10	5 -10
Matt Smith (appointed 1 September 2010)	0 -5	Nil
Benefits in kind	Nil	Nil

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

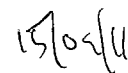
No members of SCHR's staff left under voluntary or compulsory exit schemes in 2010-11 (nil 2009-10)

## Pension Benefits

Pension contributions of £19,142 (2010 - £19,640) 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: 15<sup>th</sup> September 2011



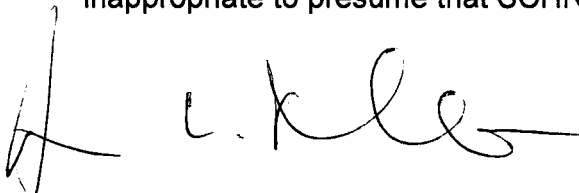
**STATEMENT OF CHAIRMAN AND ACCOUNTABLE OFFICER'S RESPONSIBILITIES**

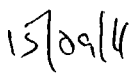
The Scottish Parliamentary Corporate Body designated the Chair as the Accountable Officer for the Scottish Commission for Human Rights. The relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper 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, SCHR 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 SCHR's affairs at the year end and of its financial activities during the year.

In preparing the accounts, SCHR 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 SCHR will continue in operation.

  
Alan Miller  
Chair, Scottish Commission for Human Rights

  
Date: 15<sup>th</sup> September 2011

## **STATEMENT ON INTERNAL CONTROL**

### **Scope of Responsibility**

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

The Scottish Commission for Human Rights Act 2006 provides that SCHR 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, 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 SCHR 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.

### **Purpose of the System of Internal Control**

A system of internal control is an ongoing process designed to identify the principal risks to achieving our objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system is made up of a number of operating procedures intended to provide reasonable assurance that objectives will be achieved and funds properly managed. It is designed to manage these risks not eliminate them and must be regularly reviewed and amended.

The detail of the current system of internal control includes an operational plan linked to our budget and risk management strategy, a full staff performance management system and internal operating procedures and policies. These various elements of the system of internal control are reviewed annually and will evolve.

### **Risk and Control Framework**

A Risk Management Strategy has been developed which considers the operational, financial and reputational risks to which SCHR could be exposed to and details how SCHR 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 2010/11, the continued to ensure that actions to eliminate or reduce risks are undertaken and that new or changing risks are identified by the Senior Management Team. These risks are assigned to specific objectives in the operational plan.

SCHR 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 will allow for continual observation of activity and early identification of possible risks and will be reported to the senior management team.

In addition SCHR will continue to further establish internal control procedures by appointing an Internal Committee to review the system of internal control and provide me with advice on whether the appropriate assurances required for the signing of this Statement have been provided and the Audit Advisory Board will continue to provide independent advice;

**Review of effectiveness**

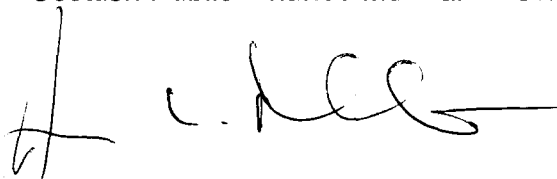
As Accountable Officer I have the responsibility for reviewing the effectiveness of the system of internal control. The following arrangements have been established to date:

- The Senior Management Team meets monthly to consider the plans and strategic direction of the Organisation which enable us to monitor our progress and highlight any obstacles
- The principles of the Scottish Public Finance Manual are adhered to
- The commission team reports to the Senior Management Team on a monthly basis to provide details of staff activities and raise any concerns which need to be addressed

In the coming year we will:

- Continue to implement our Risk Management Strategy;
- Integrate risk management into the culture of SCHR's office
- Manage risk in accordance with best practise
- Continue to develop and maintain an organisation wide Risk Register
- 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. SCHR will continue to be guided by the Scottish Public Finance Manual in reviewing its systems.



Alan Miller  
Chair, Scottish Commission for Human Rights

15/09/11

Date: 15<sup>th</sup> September 2011

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

We have audited the financial statements of the Scottish Commission for Human Rights for the year ended 31 March 2011 under the Scottish Commission for Human Rights Act 2006. The financial statements comprise the Operating Cost Statement, the Statement of Financial Position, the Statement of Cash Flow, 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 2010/11 Government Financial Reporting Manual (the 2010/11 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 123 of the Code of Audit Practice approved by the Auditor General for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Respective responsibilities of Accountable Officer and auditor**

As explained more fully in the Statement of the Accountable Officer's Responsibilities set out on page 7, 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 receipts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also responsible for giving an opinion on the regularity of expenditure and receipts.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts, disclosures, and regularity of expenditure and receipts 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, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view in accordance with the 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 2011 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 2010/11 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 our opinion in all material respects:

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

### **Opinion on other prescribed matters**

In our opinion:

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

**Matters on which we are required to report by exception**

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

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

We have nothing to report in respect of these matters.



Grant Thornton UK LLP  
1-4 Atholl Crescent  
EDINBURGH  
EH3 8LQ

15 September 2011

**Scottish Commission for Human Rights  
Accounts for the year ended 31 March 2011**

**Operating Cost Statement**

Year ended 31 March 2011

<b><u>Expenditure</u></b>	<b><u>Notes</u></b>	<b>2010-11 £'000</b>	<b>2009-10 £'000</b>
Staff costs	3	602	550
Depreciation	6/7	9	8
Other Expenditures	5	414	435
<b>Total expenditure for the year</b>		<u>1,025</u>	<u>993</u>
<b>Income</b>		<u>20</u>	<u>26</u>
<b>Net expenditure</b>		<u>1,005</u>	<u>967</u>

All amounts relate to continuing activities. There have been no gains or losses other than those recognised in the Operating Cost Statement.

The accompanying notes on pages 17 to 23 form an integral part of these Accounts.

**Statement of Financial Position as at 31 March 2011**

	<u>Notes</u>	<u>2010-11</u> £'000	<u>2009-10</u> £'000
<b><u>Non-current assets</u></b>			
Property, plant and equipment	6	9	12
Intangible assets	7	3	4
<b>Total non-current assets</b>		<u>12</u>	<u>16</u>
<b><u>Current assets</u></b>			
Trade and other receivables	8	17	17
Cash and cash equivalents		69	37
		<u>86</u>	<u>54</u>
<b>Total assets</b>		<u>98</u>	<u>70</u>
<b><u>Current liabilities</u></b>			
Trade and other current payables	9	(97)	(63)
<b><u>Non current assets less net current assets</u></b>		<u>(11)</u>	<u>(9)</u>
<b><u>Net Assets</u></b>		<u>1</u>	<u>7</u>
<b><u>Taxpayer's equity</u></b>			
General Fund		1	7
		<u>1</u>	<u>7</u>

The Accountable Officer authorised these financial statements for issue on 15th September 2011



Alan Miller  
Chair  
Scottish Commission for Human Rights

15/09/11

Date: 15th September 2011



**Cash Flow Statement for Year Ended 31 March 2011**

	<b><u>2010-11</u></b>	<b><u>2009-10</u></b>	
	<b>£'000</b>	<b>£'000</b>	
<b><u>Cash flows from operating activities</u></b>			
Net Operating Cost	(1,005)	(967)	
Adjustment for non cash transactions			
Depreciation	9	9	
Movements in Working Capital			
Decrease/(increase) in Trade and other receivables	(0)	(11)	
(Decrease) / Increase in Trade and other payables	34	16	
<b>Net cash outflow from operating activities</b>	<b><u>(962)</u></b>	<b><u>(953)</u></b>	
<b><u>Cashflows from investing activities</u></b>			
Purchase of property, plant and equipment	(3)	(5)	
Purchase of intangible assets	(1)	0	
<b>Net cash outflow from investing activities</b>	<b><u>(4)</u></b>	<b><u>(5)</u></b>	
<b><u>Cashflows from financing activities</u></b>			
Financing from the Scottish Parliamentary Corporate Body	998	995	
<b><u>Increase in Cash</u></b>	<b><u>32</u></b>	<b><u>37</u></b>	
<b><u>Net Increase in Cash and cash equivalents</u></b>			
	<b>At 1 April</b>	<b>Cash Flow</b>	<b>At 31 March</b>
	<b>2010</b>	<b>£'000</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at Bank and in Hand	37	32	69

**Statement of Changes in Taxpayers' Equity for year ended 31 March 2011**

	<b>General £'000</b>	<b>Total £'000</b>
<b>Balance at 1 April 2010</b>	7	7
<b>Changes in taxpayers equity for 2010-11</b>		
Net expenditure for the year	(1,005)	(1,005)
<b>Total recognised income and expense for 2010-11</b>	<u>(998)</u>	<u>(998)</u>
Funding from Scottish Parliamentary Corporate Body	999	999
<b>Balance at 31 March 2011</b>	<u>1</u>	<u>1</u>

## **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 (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 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

#### **1.3 Intangible assets**

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. SCHR with Scottish Parliament policies and as a result has chosen to adopt its policy of the amortisation period of up to a maximum of three 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 UK Equality and Human Rights Commission in Glasgow. The property lease covers 11 desks and expires on 8th July, 2011. This will be replaced by a lease for 2 desks. A new lease will be entered for office space in Edinburgh, co-located with the Scottish Public Services Ombudsman. 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 1<sup>st</sup> October 2008 and is ongoing.

### **1.6 Notional Costs**

From 1 April 2010, the Scottish Government and HM Treasury Financial Reporting Manual no longer require the SCHR to provide for a notional cost of capital. There is no impact on the comparative year accounts and no prior year adjustment has been made.

### **1.7 Pension Costs**

The Commission Members

Pension contributions of £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. 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](http://www.civilservice-pensions.gov.uk))

### **1.8 Value Added Tax**

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

### **1.9 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 2010-11, SCHR was allocated a budget of £1,000,000.

	<b>2010-11 Budget £'000</b>	<b>2010-11 Expenditur £'000</b>
<b>Net Operating Cost</b>	996	1,005
<b>Capital Expenditure</b>	4	4
<b>Total Expenditure</b>	<u>1,000</u>	<u>1,009</u>
<b>Accruals adjustments:</b>		
<b>Non cash items</b>	0	(9)
<b>Working capital (including cash)</b>	0	(2)
<b>Cash Funding from SPCB</b>	<u>1,000</u>	<u>998</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 SCHR during the period was as follows:

	<b><u>2010-11</u> FTE</b>	<b><u>2009-10</u> FTE</b>
Chair and members	1.3	1.3
Staff	9.9	9.4
	<u>11.2</u>	<u>10.7</u>

**3.2 Commission members and staff costs**

	<u>2010-11</u>	<u>2009-10</u>
Staff costs		
Salaries / wages	373	335
Social security costs	30	26
Pension costs	74	64
	477	425
 Commission members		
Salaries / wages	96	96
Social security costs	10	9
Pension costs	19	20
	125	125
	602	550

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 2010-11 the employer's contributions of £73,843 (2010 - £64,478) 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 2011 amounted to £7k (2010 - £nil).

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.

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<b>5 <u>Other expenditures</u></b>	<b><u>2010-11</u></b>	<b><u>2009-10</u></b>
	<b>£'000</b>	<b>£'000</b>
Operational costs	201	192
Property costs	105	103
Website costs	23	25
IT costs	20	24
Training and conferences	9	18
Auditor's remuneration	15	15
Printing, stationery & library costs	15	14
General office costs	14	11
Travel, subsistence and hospitality	8	11
Advertising and communication	0	13
Legal and consultancy fees	3	7
Recruitment Costs	1	2
	<u>414</u>	<u>435</u>

The above total includes £15,400 for external auditor's remuneration. Auditor's remuneration

includes £1,500 for the audit of a grant award received from the United Nations.

**6 Property, plant and equipment**

	<b>IT</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
<b><u>Cost</u></b>		
At 1 April 2010	20	20
Additions	3	3
Disposals	0	0
At 31 March 2011	<u>23</u>	<u>23</u>
<b><u>Depreciation</u></b>		
At 1 April 2010	7	7
Charge for Year	7	7
Disposals	0	0
At 31 March 2011	<u>14</u>	<u>14</u>
<b><u>Net Book Value at</u></b>		
At 31 March 2011	<u>9</u>	<u>9</u>
At 1 April 2010	<u>12</u>	<u>12</u>

**7 Intangible assets**

	<b>IT £'000</b>	<b>Total £'000</b>
<b><u>Cost</u></b>		
At 1 April 2010	7	7
Additions	1	1
Disposals	0	0
At 31 March 2011	8	8
<b><u>Depreciation</u></b>		
At 1 April 2010	3	3
Charge for Year	2	2
Disposals	0	0
At 31 March 2011	5	5
<b><u>Net Book Value at</u></b>		
31 March 2011	3	3
31 March 2010	4	4

**8 Other current assets**

	<b><u>2010-11</u> £'000</b>	<b><u>2009-10</u> £'000</b>
Prepayments	17	17

**9 Trade payables and other current liabilities**

	<b><u>2010-11</u> £'000</b>	<b><u>2009-10</u> £'000</b>
Trade payables	5	23
PAYE and National Insurance	9	0
Pension Contributions	7	0
Accruals	76	40
	97	63



**10 Capital Commitments**

There were no contracted capital commitments as at 31 March 2011 (2010:£nil).

**11 Contingent Liabilities**

There were no contingent liabilities as at 31 March 2011 (2010:£nil).

**12 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.

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

**13 Commitments under Operating Leases**

At 31 March SCHR was committed to making the following payments in respect of operating leases expiring:

	<b>Buildings &amp; equipment <u>£'000</u></b>
within one year	<u>29</u>
between 2 and 5 years	<u>61</u>

The Glasgow lease expired on 31st July 2010 and was on a rolling six month notice period. The lease for 11 desks terminates on 8th July 2011 and will be replaced by a lease for 2 . The Edinburgh lease has a two month notice period.

**14 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 (FRoM) 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