

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

4 November 2015

Dear Mr Miller

**Scottish Commission for Human Rights
Audit for the year ended 31 March 2015**

Please find enclosed the audited accounts of Scottish Commission for Human Rights for the 12 months ended 31 March 2015. 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 2015. 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

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Scottish Commission for Human
Rights

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Rights**

Annual Accounts

Year Ended 31 March 2015

**Scottish Commission for Human Rights
Accounts For The Year Ended 31 March 2015**

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MANAGEMENT COMMENTARY

The accounts for the financial year ended 31 March 2015 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.

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 and is accountable.

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 national human rights institutions 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 being in full compliance with the Paris Principles, the highest level of accreditation from the International Coordinating Committee of National Institutions for Promotion and Protection of Human Rights (ICC). In 2015 the Commission was reaccredited as Grade 'A' status following the five year periodic review of compliance with the Paris Principles.

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: Appointed May 2008 and reappointed May 2012 (for a period of 3 years). Appointment ended 30th April 2015.

Shelagh McCall: Appointed May 2008 and reappointed May 2012 (for a period of 3 years). Appointment ended 30th April 2015.

Matt Smith: Appointed September 2010 (for a period of 4 years) and reappointed 1st September 2014 (for a period of 3 years).

In 2014/15 Matt Smith and Shelagh McCall served as members of the Commission's Finance Risk and Audit Committee. Matt Smith was nominated to chair the committee for the period April 2014 – March 2016.

On 31st March 2015 there were four Members of the Commission, eight full time staff and two part time staff. There were two male and two female Members of the Commission and two male and eight female members of staff.

In April 2015 the Commission welcomed two new members of the Commission, Susan Kemp and Alan Mitchell, who take over from Shelagh McCall and Kay Hampton whose term of office was completed in April 2015. Susan Kemp and Alan Mitchell were appointed for one term of six years.

Our Strategic Priorities

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. It sets out the following five priorities:

1. Empowering people to realise their rights through promoting greater awareness and respect for human rights.
2. Supporting the implementation of human rights in practice.
3. Improving human rights protection in Scotland through influencing law and policy.
4. Progressing the realisation of human rights of people in Scotland and beyond through further developing our international role.
5. Ensuring the Commission is effective, efficient, professional and accountable.

Our Work

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 published an Annual Report on 21st October 2015, which provides a comprehensive overview of our work.

The Commission promotes and protects human rights in a number of ways and our work includes:

- engaging the Scottish Parliament and Scottish Government on human rights issues in law and policy;
- engaging with the international human rights system, including monitoring and reporting on the implementation of human rights treaties;
- supporting other organisations to take a human rights based approach to their own work;
- raising awareness of human rights and human rights issues with civil society and wider public audiences through our communications and outreach; and
- coordinating and delivering Scotland's National Action Plan for Human Rights.

SNAP - Scotland's National Action Plan for Human Rights – moved 'off the page' in this, its first full year of implementation. Five Action Groups, a Leadership Panel and a Monitoring Group were established, involving around fifty people and organisations from across Scottish public and civic life.

Bedding down the architecture needed to ensure SNAP's long-term success was a priority this year, while immediate action took place to explore how to tackle poverty through human rights, to bring human rights to life through short films and to raise awareness of human rights through social media.

The progressive approach to realising human rights in practice that SNAP embodies stood in stark contrast to debates about human rights at UK level. In the run-up to the UK General Election, the Commission continued to express its clear view that negative rhetoric and regressive proposals for changes to the UK's human rights laws were deeply unhelpful and damaging. A well-received briefing paper, "Human Rights For All – Forwards or Back?" set out the Commission's progressive test for any future proposals for change.

Issues we worked on during the year included the widespread use of non-statutory stop and search; the increased presence of armed police on the streets; justice for survivors of historic child abuse; changes to mental health laws and practices; climate change and its impact on people; and land reform.

In our role as a bridge between Scotland and the international human rights system, the Commission gave evidence to the United Nations Human Rights Council and reported on the implementation in Scotland of the International Covenant on Civil and Political Rights.

We continued to draw on, and contribute to, international good practice in promoting and protecting human rights through participation in the International Coordinating Committee of National Human Rights Institutions.

We also continued to chair the European Network of National Human Rights Institutions, helping to strengthen the European-wide system of human rights protection.

Our annual report is available on our website at
www.scottishhumanrights.com/about/corporatereports

Future Development

In 2015/16 the Commission will work to develop its third Strategic Plan which will guide the work of the Commission in the period 2016-2020.

Looking ahead to 2015-16, several important challenges and opportunities are clearly on the horizon.

Proposals to introduce a **British Bill of Rights** are expected to be introduced by the UK Government. Engaging with this process in line with our progressive test for change will be a priority for the Commission.

As **further powers are devolved to the Scottish Parliament** following the Smith Commission's recommendations, it will be important to ensure that all possible opportunities are taken to advance human rights by the Scottish Parliament and Scottish Government.

As the **integration of health and social care services** begins to take hold, much work remains to be done to embed human rights into the culture of health and social care services, through the work of integrated joint boards.

Seeking an end to the continued use of **non-statutory stop and search** by Police Scotland will remain a priority for the Commission; we will continue to raise our concerns through all appropriate channels and will engage constructively with any initiatives to review the practice.

A Bill to prevent and tackle **human trafficking** is likely to come before the Scottish Parliament for scrutiny. The Commission will work to ensure that the legislation takes a human rights-based approach to the problems and potential solutions.

The continued impact of **cuts to public spending and services**, including changes to social security, legal aid and advice services, will continue to raise serious human rights issues for people affected, who are often in a deeply vulnerable situation. The Commission will work with the Scottish Government and others to identify ways in which human rights can be used

to guide spending decisions in Scotland, and to monitor and assess the impact of particular decisions on people's lives.

Diversity and Equality

The Scottish Human Rights Commission promotes and protects the human rights of everyone in Scotland. We are working to increase awareness, recognition and respect for human rights, and make them more relevant and easier to apply in everyday life.

The Commission takes a human rights based approach in our organisational governance and our work. This includes promotion and demonstration of equality of opportunity and diversity which is central to our work. A core pillar of a human rights based approach is non-discrimination and equality.

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.

<http://www.scottishhumanrights.com/humanrights/humanrightsbasedapproach>

Environment and Sustainability

The Commission's Sustainability report was published in October 2015 and is available on the Commission's website at the following

www.scottishhumanrights.com/about/corporatereports



Alan Miller
Chair, Scottish Commission for Human Rights

Date: 28 October 2015

Accountable Officer's Report

Financial Position

Financial Year 2014-15 was the Commission's sixth full year of operation. The Commission's net expenditure on operating activities for the year ended 31 March 2015 totalled £950k (2014 - £914k). This was on staff costs £697k (2014 - £666k), other operating costs £243k (2014 - £287k) and depreciation £10k (2014 - £2k). Details of operating expenditure are shown in note 5 to the Accounts. Upwards movement in staff costs in 2014-15 resulted from two additional temporary staff contracts for maternity cover. Movement in net operational costs are a result of the completion of grant funded work in the previous year and additional funding in the previous year for replacement of the Commission's IT system, leading to higher depreciation in 2014/15.

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 Parliamentary Corporate Body awarded the Commission a cash budget of £933,000 for financial year 2014-15 (2013-14 - £909,000). In addition £33,495 of contingency funding was approved for maternity cover.

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 2014-15 was 62% (2014 – 84%) and within 30 days was 94% (2014 – 97%). The average time to pay suppliers in 2014-15 was 10.7 days (2014 – 7.5 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

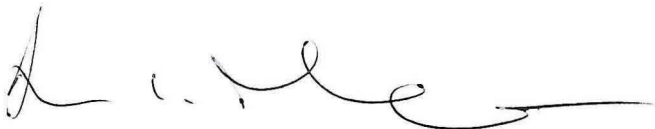
The accounts are audited by auditors appointed by the Auditor General for Scotland in accordance with paragraph 15(1) of Schedule 1 of the Scottish Commission for Human Rights Act 2006. There has been no remuneration paid to the auditors for any non-audit work and no non-audit work has been undertaken 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 1.4 days (2014 – 2 days) per person



Alan Miller
Chair, Scottish Commission for Human Rights

Date: 28 October 2015

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 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 £257.57 up to a maximum of 30 days per year which equates to a maximum pay of £7,727.10 per annum per part-time member.

The part-time Members' posts are non-pensionable. The Chair was employed on a full-time basis in 2014-15.

	Remuneration 2014-15 £'000	Pension 2014/15 £'000	Total Remuneration 2014/15 £'000	Remuneration 2013-14 £'000	Pension 2013/14 £'000	Total Remuneration 2013/14 £'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

There were no Benefits in Kind for 2014/15 or 2013/14.

The pension figure is the employer contribution paid, There are no real increase in pension/ lump sum figure, no pension benefits figure and no Cash Equivalent Transfer Values because the Chair's pension is not a civil service pension.

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 2014-15 (2013-14 nil).

The highest paid member of the senior management team was the Chair. His salary was 1.8 times the £44,353 median salary paid to Commission staff in 2014/15 (2013/14 – 2.0 times £38,172).

Pension Benefits

Pension contributions of £18,962 (2014 - £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.


Alan Miller
Chair, Scottish Commission for Human Rights

Date: 28 October 2015

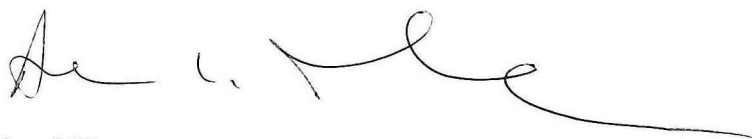
STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

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: 28 October 2015

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 Scottish 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 years, with a maximum of two terms. The Chair of the Commission is the Accountable Officer. Following legislative change, new appointments to the Commission will be for a maximum of one term of eight years.

The Commission is supported by ten full time equivalent staff posts, filled by eleven members of staff. The staff management team comprises the Head of Strategy and Legal, the Business Manager and the Communication 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 and a Business Risk Management Group (BRMG) which was established in 2011/12. 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 Business Risk Management Group operates against the Commission's Risk Management Policy and Guidelines. The Commission and FRAC meetings are conducted against a pre-agreed agenda. Minutes of Commission monthly meetings are published on the Commission's website.

The BRMG comprises of the Chair of the Commission, the Head of Strategy and Legal, the Business Manager and the Communication and Outreach Manager. The BRMG meets monthly to review on-going 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 accounts are audited by auditors appointed by the Auditor General for Scotland. There was no internal audit activity during the 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 2014/15, 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.

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.
- The BRMG meets monthly and is responsible for monitoring risk and identifying 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 2014/15 FRAC met quarterly and reviewed performance against budget, transactional reports, BRMG risk register outputs and audit reports. FRAC provides assurance to the Commission on areas delegated to it.
- In 2014/15 the Commission ensured we continued to develop key skills in the management and staff team in areas relevant to effective governance. In 2014/15 the Chair of FRAC attended a CIPFA development workshop in effective audit committees. The Business Manager and the Executive Assistant attended workshops in records management and developed their knowledge in this area. The Commission applied in practice training previously undertaken in Risk Management and Project Management and continued to developed its skills in these areas.

**Scottish Commission for Human Rights
Accounts For The Year Ended 31 March 2015**

In the coming year we will:

- Manage risk in accordance the Commission's policy and procedures
- Continue to develop systems and control procedures
- Seek guidance and support from our internal committees and take into account any comments made by external auditors.
- Develop a Records Management Plan in line with guidance from the Keeper of the Records of Scotland

More generally, the organisation is committed to a process of continuous development and improvement and will seek to develop 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: 28 October 2015

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 2015 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 2014/15 Government Financial Reporting Manual (the 2014/15 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 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 2015 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 2014/15 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:

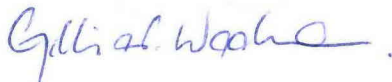
- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Scottish Commission for Human Rights Act 2006 and directions made thereunder by the Scottish Ministers; and
- the information given in the Management Commentary for the financial year for which the financial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



October 2015

Statement of Comprehensive Net Expenditure

Year ended 31 March 2015

Expenditure	<u>Notes</u>	2015 £'000	2014 £'000
Staff costs	3	697	666
Depreciation	6/7	10	2
Other Expenditures	5	243	287
Total expenditure for the year		<u>950</u>	<u>955</u>
Income		<u>0</u>	<u>41</u>
Net expenditure		<u>950</u>	<u>914</u>

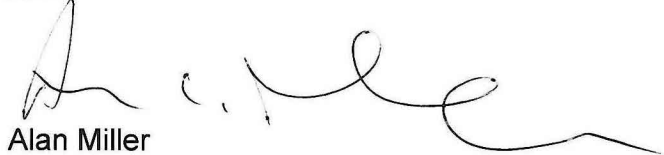
All amounts relate to continuing activities. There have been no gains or losses other than those recognised in the Statement of Comprehensive Net Expenditure.

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

Statement of Financial Position as at 31 March 2015

	<u>Notes</u>	<u>2015</u> <u>£'000</u>	<u>2014</u> <u>£'000</u>
Non-current assets			
Property, plant and equipment	6	13	21
Intangible assets	7	3	5
Total non-current assets		<u>16</u>	<u>26</u>
Current assets			
Trade and other receivables	8	2	3
Cash and cash equivalents	9	42	33
Total current assets		<u>44</u>	<u>36</u>
Total assets		<u>60</u>	<u>62</u>
Current liabilities			
Trade and other current payables	10	(37)	(47)
Total assets less current liabilities		<u>23</u>	<u>15</u>
Net Assets		<u>23</u>	<u>15</u>
Taxpayers' equity			
General Fund		<u>23</u>	<u>15</u>
		<u>23</u>	<u>15</u>

The Accountable Officer authorised these financial statements for issue on 28 October 2015



Alan Miller
Chair
Scottish Commission for Human Rights

Date: 28 October 2015

**Scottish Commission for Human Rights
Accounts for the year ended 31 March 2015**

Cash Flow Statement for Year Ended 31 March 2015

	<u>2015</u>	<u>2014</u>
	£'000	£'000
<u>Cash flows from operating activities</u>		
Net Operating Cost	(950)	(914)
Adjustment for non cash transactions		
Depreciation	10	2
Movements in Working Capital		
Decrease/(increase) in Trade and other receivables	1	4
(Decrease) in Trade and other payables	(10)	(45)
Net cash outflow from operating activities	(949)	(953)
<u>Cashflows from investing activities</u>		
Purchase of property, plant and equipment	0	(21)
Purchase of intangible assets	0	(4)
Net cash outflow from investing activities	0	(25)
<u>Cashflows from financing activities</u>		
Financing from the Scottish Parliamentary Corporate Body	958	936
Increase / (decrease) in Cash	9	(42)
<u>Net Increase in Cash and cash equivalents</u>		
	At 1 April 2014	At 31 March 2015
	£'000	£'000
Cash at Bank and in Hand	33	42

Statement of Changes in Taxpayers' Equity for year ended 31 March 2015

	General £'000	Total £'000
Balance at 1 April 2014	15	15
Changes in taxpayers equity for 2014-15		
Net expenditure for the year	(950)	(950)
Total recognised income and expense for 2014-15	<u>(935)</u>	<u>(935)</u>
Funding from Scottish Parliamentary Corporate Body	958	958
Balance at 31 March 2015	<u>23</u>	<u>23</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 2014-15 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, or groups 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.

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 licences 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

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. The Scottish Commission for Human Rights is co-located with the Scottish Public Services Ombudsman in Edinburgh. The 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.

1.6 Pension Costs

The Commission Members

Pension contributions of £18,962 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 Civil Service pension schemes are multi-employer schemes where the share of the assets and liabilities applicable to each employer is not identified. The Commission therefore accounts for pension costs on a defined contribution basis as permitted by IAS19

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, the Commission's employees may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 1.5% and 6.85% of pensionable earnings for classic and 3.5% and 8.85% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement). The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

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

New Career Average pension arrangements will be introduced from 1st April 2015 and the majority of classic, premium, classic plus and nuvos members will join the new scheme. Further details of this new scheme are available at <http://www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/>

1.7 Value Added Tax

The Commission is not VAT registered. All VAT except that on purchases 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 2014-15, the Commission was allocated a budget of £966,495. This consisted of core funding of £933,000 and contingency funding for maternity cover of £33,495.

	2015 Budget £'000	2015 Expenditure £'000
Net Operating Cost	966	950
Capital Expenditure	0	0
Total Expenditure	966	950
Accruals adjustments:		
Non cash items	0	(10)
Working capital (including cash)	0	18
Cash Funding from SPCB	966	958

3 Staff Numbers and Costs

3.1 *Average Staff Employed (Full Time Equivalent)*

In 2014/15 the increase in staff numbers included 2 full-time members of staff employed on temporary contracts to provide maternity cover. There was turnover and short term vacancies in two positions during the year. The average number of full time equivalent (FTE) persons employed by the Commission during the period was as follows:

	<u>2015</u> FTE	<u>2014</u> FTE
Chair and members	1.3	1.3
Staff	12.3	10.8
	13.6	12.1

3.2 Commission members and staff costs

Staff costs	<u>2015</u>	<u>2014</u>
	£'000	£'000
Salaries / wages	439	426
Social security costs	37	36
Pension costs	<u>91</u>	<u>75</u>
	<u>567</u>	<u>537</u>
Commission members		
Salaries / wages	101	100
Social security costs	10	10
Pension costs	<u>19</u>	<u>19</u>
	<u>130</u>	<u>129</u>
	 <u>697</u>	 <u>666</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.

4 Staff pension costs

For 2014-15 the employer's contributions of £91,105 (2014 - £74,770) 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 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 2015 amounted to £0k (2014 - £0k).

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5 <u>Other expenditures</u>	2015	2014
	£'000	£'000
Operational costs	50	43
Operational consultancy	25	64
Property costs	55	62
IT costs	10	18
Web-site	24	23
Training, conferences and subscriptions	10	11
Auditor's remuneration	12	12
Printing, stationery & library costs	3	4
General office costs	10	13
Travel, subsistence and hospitality	31	32
Legal and consultancy fees	3	4
Recruitment Costs	10	1
	<u>243</u>	<u>287</u>

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

6 Property, plant and equipment

	IT Hardware £'000	Total £'000
<u>Cost</u>		
At 1 April 2013	23	23
Additions	21	21
Disposals	(17)	(17)
At 31 March 2014	<u>27</u>	<u>27</u>
At 1 April 2014	27	27
Additions	0	0
Disposals	0	0
At 31 March 2015	<u>27</u>	<u>27</u>
<u>Accumulated depreciation</u>		
At 1 April 2013	21	21
Charge for Year	2	2
Disposals	(17)	(17)
At 31 March 2014	<u>6</u>	<u>6</u>
At 1 April 2014	6	6
Charge for Year	8	8
Disposals	0	0
At 31 March 2015	<u>14</u>	<u>14</u>
<u>Net Book Value at</u>		
At 31 March 2015	<u>13</u>	<u>13</u>
At 31 March 2014	<u>21</u>	<u>21</u>

7 Intangible assets

	IT Software & Licences £'000	Total £'000
<u>Cost</u>		
At 1 April 2013	8	8
Additions	4	4
Disposals	(7)	(7)
At 31 March 2014	<u>5</u>	<u>5</u>
At 1 April 2014	5	5
Additions	0	0
Disposals	0	0
At 31 March 2015	<u>5</u>	<u>5</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>0</u>
At 1 April 2014	0	0
Charge for Year	2	2
Disposals	0	0
At 31 March 2015	<u>2</u>	<u>2</u>
<u>Net Book Value at</u>		
At 31 March 2015	<u>3</u>	<u>3</u>
At 31 March 2014	<u>5</u>	<u>5</u>

8 Trade and other Receivables

	<u>2015</u> £'000	<u>2014</u> £'000
Trade receivables	0	1
Prepayments and accrued income	2	2
	<u>2</u>	<u>3</u>

9 Cash and cash equivalents

	<u>2015</u> £'000	<u>2014</u> £'000
Balance at 1 April	33	75
Net change in cash and cash equivalents	9	(42)
Balance at 31 March	<u>42</u>	<u>33</u>
The following balances at 31 March were held at:		
Commercial Banks	<u>42</u>	<u>33</u>

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10 Trade payables and other current liabilities

	<u>2015</u> £'000	<u>2014</u> £'000
Trade payables	3	5
Accruals and deferred income	34	42
	<u>37</u>	<u>47</u>

11 Capital Commitments

There were no contracted capital commitments as at 31 March 2015 (2014: £nil).

12 Contingent Liabilities

There were no contingent liabilities as at 31 March 2015 (2014: £nil).

13 Related Party Transactions

The Commission was constituted by the Scottish Parliament which provides funding via the Scottish 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 (2014 - £55k) and with the Scottish Government for IT system rental totalling £10k (2014 - £18k). At the 31st March there were no outstanding balances with either the Scottish Government or SPSO (2014 - £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	55
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: 18 October 2008

