

**Company No: SC 208570**

**CENTRAL SCOTLAND REGIONAL EQUALITY  
COUNCIL LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2012**

**Company Registration No. SC 208570**

**Charity No. SC010373**

**WHITELAW WELLS**

Chartered Accountants & Statutory Auditors  
9 Ainslie Place  
Edinburgh  
EH3 6AT

WEDNESDAY



\*S104JCJS\*

SCT

19/12/2012

#410

COMPANIES HOUSE

**CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended 31 March 2012**

**CONTENTS**

|                                                                                      | <b>PAGE</b> |
|--------------------------------------------------------------------------------------|-------------|
| Report of the Directors                                                              | 1           |
| Report of the Auditors                                                               | 9           |
| Statement of financial activities (incorporating the income and expenditure account) | 11          |
| Balance sheet                                                                        | 12          |
| Notes forming part of the financial statements                                       | 13          |

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**For the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

The directors present their report and audited financial statements for the year ended 31 March 2012.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Company Registration Number**  
SC 208570

**Charity Number**  
SC010373

**Honorary Vice-President**  
Claude Moraes, MEP

**Address**  
Community Education Centre  
Park Street  
Falkirk  
FK1 1RE

**Directors/Management Board**  
Fungai Magoche (appointed 11/5/11)  
Kelly Sagar (appointed 6/4/11)  
Provost Pat Reid (appointed 26/10/11)  
Shazia Irfan (appointed 2/8/11)  
Timothy Njuguna  
Brian Guthrie  
Cllr Steven Jackson (appointed 26/10/11)  
Robert Adams (resigned 25/7/11)  
Azmat Syed  
Michael Giannandrea (appointed 07/12/11)  
Shazia Nadeem (appointed 05/03/12)  
Satwant Multani (appointed 24/11/11)  
Sikander Malik (appointed 28/05/12)

**Bankers**  
Unity Trust Bank  
Nine Brindleyplace  
4 Ouzells Square  
Birmingham  
B1 2HB

**Independent Auditors**  
Whitelaw Wells  
Chartered Accountants & Statutory Auditors  
9 Ainslie Place  
Edinburgh  
EH3 6AT

### **Consultant Observers**

Cllr Alan Nimmo – Falkirk Council  
Provost Fergus Wood – Stirling Council  
Cath Sutherland – Stirling Council  
Cheryl Rankin – Central Scotland Police  
Jess Kennedy – Falkirk Council  
Cllr Kenny Earle – Clackmannanshire Council  
Francinne Orr – Clackmannanshire Council

**Senior Statutory Auditor**  
David Main

**Company Secretary**  
Rosa MacPherson (resigned 22/10/11)  
Shazia Irfan

**Acting General Manager**  
Serah Kimuyu

**Chairperson**  
Brian Guthrie

**Vice Chairperson**  
Fungai Magoche

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**For the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governance Document**

Central Scotland Regional Equality Council (CSREC) is a company limited by guarantee (SC 208570) and a registered charity (SC 010373) governed by its Memorandum and Articles of Association. CSREC was established in 1984 and its membership is made up of individuals and any corporate or unincorporated association which is interested in furthering the work of the CSREC. It has operated as a company limited by guarantee since 2000. CSREC has a remit to work primarily within the Forth Valley and works in partnership and co-operates with other organisations as appropriate.

#### **Recruitment and Appointment of Directors**

Organisations and individuals who are committed to the objects of CSREC are admitted to the membership of the organisation. Thereafter a member can be proposed and elected to serve on the board, subject to ratification at the AGM. Under the Articles the members of the Board of Directors are elected to serve a period of three years but are eligible for re-election for a further three years, up to a maximum of nine years continuous service. Following a lapse of three years, a member can be eligible again for election.

#### **Director Induction and Training**

New Board members are offered induction and training to cover the following:

- Obligations of the Directors of the Board
- Recruitment and interviews
- Race Relations legislation
- Good Governance and Core Standards

#### **Risk Management**

The directors continue to assess the major risks to which the company is exposed, in particular those related to the operations and finances of the company, to satisfy themselves that systems are in place to mitigate exposure to the major risks. The directors have examined the major strategic, business and operational risks which might affect the organisation and confirm that systems have been reviewed and the necessary steps taken to lessen these risks.

#### **Organisational Structure**

CSREC is currently governed by a Management Board of twelve members, whom are elected as directors from the membership. The Management Board appoints from its members a Membership Panel, Finance and General Purposes Subcommittee and Personnel Subcommittee.

The Management Board may appoint other subcommittees, ad hoc working parties or task groups. The Management Board may also co-opt persons, to the Board or its subcommittees, with expertise to offer in a subject area.

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

Consultant Observers such as representatives from funding bodies are invited to attend Management Board meetings. The Company Secretary and Honorary Vice-President are also invited to Management Board meetings.

The Directors who served on the board during the year are listed on page 1.

### **Related Parties**

In so far as it is complementary to the charity's objects, CSREC is guided by both local and national policy in particular the Race Relations Amendment Act 2000.

Some of the directors are involved in other charities, with broadly similar aims. All the directors have signed a 'Code of Practice' and 'Register of Directors' Interests' and are aware of their responsibilities regarding potential conflicts of interest.

### **OBJECTIVES AND ACTIVITIES**

Our mission is to work towards a fair Central Scotland, which gives everyone an equal chance to learn, work and live free from discrimination and prejudice and the fear of harassment and violence.

CSREC is opposed to all forms of discrimination and oppression. We actively promote justice and equality of opportunity for all. We are committed to plan and deliver services in a manner that is transparent, professional, sensitive and values diversity.

We aim:

- a) to work towards the elimination of all forms of discrimination; and
- b) to promote equality of opportunity and good relations between persons of different groups without distinction on grounds of colour, race, nationality, ethnic or national origin, gender, marital status, disability, sexual orientation, age and creed; and
- c) to promote and improve co-operation in the achievement of our aims by creating effective equality partnerships with statutory authorities, voluntary organisations and other relevant agencies.

The main objectives and activities for the year continued to focus upon advocacy and representation and the promotion of equality of opportunity and good relations. This was carried out through a variety of projects and events.

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

CSREC has worked in partnership with:-

- Local Minority Ethnic Community Groups and individuals
- Scottish Alliance for Regional Equality Councils (SAREC)
- Falkirk Council
- Stirling Council
- Clackmannanshire Council
- NHS Forth Valley
- Central Scotland Police
- West of Scotland Regional Equality Council (WSREC)
- Scottish Government
- Voluntary Action Fund (VAF)
- Lloyds TSB Bank
- Open Secret, Falkirk
- Citizens Advice Bureau,
- Council for Voluntary Service (CVS)
- Falkirk and District Association for Mental Health (FDAMH)
- Forth Valley Advocacy (FVA)
- Multi-agency Hate Response Strategy (MAHRS)
- Community Education Department, Falkirk Council
- Employment Training Unit, Falkirk Council
- Falkirk Football Club
- Scottish Trade Union Congress (STUC)
- Council for Ethnic Minority Voluntary Organisations (CEMVO)
- Black & Ethnic Minorities Infrastructure Scotland (BEMIS)
- Coalition for Racial Equality & Rights (CRER)
- Scottish Council for Voluntary Organisations (SCVO)
- Workers Educational Association, Falkirk (WEA)
- Show Racism the Red Card
- Job Centre Plus (Falkirk & Grangemouth)
- LGBT Scotland
- Forth Valley Domestic Violence Forum
- Glasgow Council for the Voluntary Sector (GCVS)
- STICS Forum and many others.

## **ACHIEVEMENTS AND PERFORMANCE**

- In 2011-2012 CSREC managed to support 173 Job Sessions, double the target that was set. CSREC were also set the target to support a minimum of 80 individuals but no more than a maximum of 100. However, due to demand they supported 146 clients.
- Forth Valley Community Interpreting (FVCI) has continued to grow. The number of requests received increased in 2011/2012 to 346 from 340 in 2010/2011. This continues the trend of requests increasing every year. The majority of these requests have come from Falkirk Council and the NHS making up over 80% of requests.
- 30 people were assisted via the Advice and Support program. One of these cases is currently still on going whilst all the others received the advice or support they required. There has been

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

### **ACHIEVEMENTS AND PERFORMANCE (CONT'D)**

a significant drop in the number of people we supported due to the fact that the post has remained vacant since October 2010 due to a funding cut and efforts to replace it have proved fruitless. However, due to the commitment that the organisation has to supporting victims, we have maintained a limited service.

- CSREC has developed the Engagement Forum which was set up in 2011, and engaged volunteer 'community champions' targeting the 'harder to reach' groups within the population. As a result the foundations have been laid for significantly better engagement of equalities groups in the planning and delivery of services in the region.
- A very successful "50 Plus Keep Healthy and Happy" event was held at the Forth Valley Sensory Centre on the 20th March 2012. CSREC was part of the organising partnership. On the day, 34 organisations were represented giving local people the opportunity to receive information and ask questions about the services and support they provide. Many of the 92 people who attended enjoyed trying their hand at playing the Nintendo Wii, took a tour of the Sensory Centre or had a free hearing test. Feedback on the day was really positive.
- CSREC teamed up with the West of Scotland Regional Equality Council (WSREC) to offer local people from ethnic minority communities the chance to get to know a Falkirk landmark, by visiting Callendar House in Falkirk. Everyone enjoyed the day and found the tour and talk really interesting.
- Partnership work between Open Secret /Central Scotland Regional Equality Council and Ethnic Survivors Forum was launched on 8th September 2011, in the Falkirk Town Hall. The event was very well attended and received by the local BME communities and representatives of statutory and third sector organisations. A minority ethnic female survivor spoke about her horrific experience of childhood sexual abuse. This had a very positive impact on some BME groups, as they felt empowered to start addressing issues of childhood abuse within their communities and requested to work closely with the BME project of Open Secret.
- Since the inception of the Childhood abuse and Neglect project there have been 216 different cases of abuse recorded. CSREC in partnership with Open Secret hope to continue to reach those in need.
- CSREC hosted a partnership event, "Keeping Well in Your Community. What would it take?" on the 17th November at the Camelon Community Centre. The event was really well attended, with over 50 people from both well-being service providers and ethnic minority people.
- Over a dozen Show Racism the Red card sessions were delivered around central Scotland.

### **FINANCIAL REVIEW**

CSREC continued to experience challenges due to limited resources which made it difficult to plan and develop services. Nevertheless, CSREC with the aid of sound management and support of both its staff and volunteers generated a satisfactory financial outcome for the period 2011 – 2012. However, general funds reduced to £42,976 from £46,774.

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

### **FINANCIAL REVIEW (CONT'D)**

#### **Principal funding sources**

Apart from donations and gift aid from supporters, the principle funding sources for CSREC are currently through grants from the three Local Authorities of Clackmannanshire, Falkirk and Stirling. Project funding was received from a number of sources including the Fairer Scotland Fund through the Falkirk Council, the Scottish Government Race, Religion and Refugee Integration Fund (SAREC and Older People Project).

### **RESERVES POLICY**

The restricted funds received for the year were used for specific purposes laid down by the donor. The capital reserve represents funds received for the purchase of fixed assets released to revenue over the life of those assets.

The remaining general fund, which is the free reserves of the company, represents the unrestricted funds arising from past operating results. This fund is £42,976 at 31st March 2012 (2011: £46,774).

As a matter of prudent governance the directors consider that a general fund to cover three months operating and running costs should be maintained. Currently, the general reserves fall short of this target, which is approximately £55,000.

#### **Non compliance with FRS17 - Pension Fund Assets & Liabilities**

The Directors took the decision during the year not to comply with the FRS17 requirement to disclose pension fund assets and liabilities. This decision has been made on the basis that the costs of obtaining the valuation do not further the objectives of the charity.

### **PLANS FOR THE FUTURE**

The main objective for Central Scotland Regional Equality Council is to fight against discrimination and harassment by delivering a wide range of services including advice, support and information giving, public education, employment advice, social policy influence and anti-racist training and consultancy.

The Board will be looking to consolidate its finances through the current tough economic climate to ensure the above services can continue to operate for many years to come. Activities to achieve this will include continuing to explore new areas of work to meet the changing remit to cover multiple equality strands; maximising the uptake of the training and consultancy services; generating income by providing services to private sector; and continual fundraising.

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

### **PLANS FOR THE FUTURE (CONT'D)**

CSREC will continue to promote the unique value of its service to local authorities as well as voluntary agencies, emphasising in particular, its independent, generalist advice and policy work and demonstrating the outcomes for individuals and communities.

With the new Single Equalities Act now in force, CSREC aims to prepare and ensure that we take a proactive approach to respond positively to this change as we will not only be challenging racially motivated issues, but all kinds of discrimination.

To achieve this:-

- i) We aim to evaluate all our services with a view to improving on service delivery;
- ii) Continue to work more closely with our partners who already have expertise in other equality strands that we aim to embrace throughout our work, with a view to discussing partnership work as opposed to replicating services;
- iii) We aim to become a hub for consultations on equality issues affecting ethnic minorities to ensure that consultations are meeting the Scottish standards for community engagement. CSREC is being sought for advice by organisations looking to make their services more accessible to equality groups e.g. in the last two months, support has been provided to Home Start and Family Mediation Scotland;
- iv) We aim to involve our members more when making decisions on what new service to introduce and also how to improve on the existing ones;
- v) We aim to have a robust financial plan for the organisation so as to ensure that all our services are well supported even when there are cuts or fund discontinuation. One way we aim to do this is to market and revamp our interpreting service. Plans are underway to launch this service as a Social Enterprise.
- vi) CSREC will continue to act as the monitoring agency for Multi-agency Hate Response strategy (MAHRS).. We will continue to evaluate this system reporting process to ensure it is fit for purpose and that the information gathered can help in policy formulation.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors of the Company during the period ended 31 March 2012 were those listed on page 1.

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors' are required to:-

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year ended 31 March 2012**

## **REPORT OF THE DIRECTORS**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONT'D)**

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **MEMBERS OF THE BOARD OF DIRECTORS**

Members of the Board of Directors guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2012 was 12 (2011: 5).

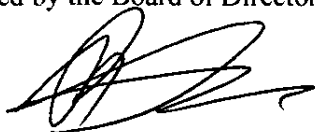
### **AUDITORS**

A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions of Part 15 Companies Act 2006 relating to small companies.

Approved by the Board of Directors on 28<sup>th</sup> November 2012 and signed on their behalf by:



**Brian Guthrie, Chairperson**

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **FINANCIAL STATEMENTS**

**for the year to 31 March 2012**

### **REPORT OF THE INDEPENDENT AUDITOR'S TO THE DIRECTORS AND MEMBERS OF CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

We have audited the financial statements of Central Scotland Regional Equality Council Limited for the year ended 31 March 2012, which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the board of directors as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the board of directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, its members as a body and its board of directors, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7- 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' 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.

#### **Basis for qualified opinion on financial statements**

As disclosed in the Directors' Report, the directors have decided not to comply with the requirements of FRS17 Retirement Benefits as they consider that the costs of obtaining the required information outweigh the benefits of the required disclosure. As a consequence the financial statements do not provide the information required regarding recognising the pension scheme asset or liability in the balance sheet or the surplus or deficit in the income and expenditure account and the SOFA. We are unable to quantify this non-compliance as the actuarial valuation has not been obtained.

**CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

**FINANCIAL STATEMENTS**

**for the year to 31 March 2012**

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE DIRECTORS AND MEMBERS OF  
CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

**Qualified opinion on financial statements**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' 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**

In respect solely of the limitation on our work relating to the value of the pension scheme asset or liability in the balance sheet, as described above, we have not obtained all the information and explanations that we considered necessary for the purposes of our audit.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made.



David Main (Senior Statutory Auditor)

for and on behalf of Whitelaw Wells, Statutory Auditor

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

9 Ainslie Place

Edinburgh

EH3 6AT

Date: 28<sup>th</sup> November 2012

**CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure Account)**

**for the year ended 31 March 2012**

|                                                       | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | 2012<br>Total<br>£ | 2011<br>Total<br>£ |
|-------------------------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Incoming Resources</b>                             |       |                            |                          |                    |                    |
| <b>Incoming resources from generated funds:</b>       |       |                            |                          |                    |                    |
| <i>Voluntary income</i>                               |       |                            |                          |                    |                    |
| Donations                                             |       | 10,704                     | -                        | 10,704             | 18,569             |
| Investment income                                     |       | 78                         | -                        | 78                 | 127                |
| <b>Incoming resources from charitable activities:</b> |       |                            |                          |                    |                    |
| Grants and contracts                                  | 2     | 74,640                     | 115,221                  | 189,861            | 233,697            |
| Interpreting and translation services                 |       | 18,562                     | -                        | 18,562             | 10,219             |
| Educational services                                  |       | 1,974                      | -                        | 1,974              | -                  |
| <b>Other incoming resources</b>                       |       | 1,226                      | -                        | 1,226              | 250                |
| <b>Total Incoming Resources</b>                       |       | 107,184                    | 115,221                  | 222,405            | 262,862            |
| <b>Resources Expended</b>                             |       |                            |                          |                    |                    |
| <b>Charitable activities</b>                          | 4     | 105,418                    | 115,184                  | 220,602            | 270,486            |
| <b>Governance costs</b>                               | 5     | 3,120                      | -                        | 3,120              | 4,035              |
| <b>Total resources expended</b>                       |       | 108,538                    | 115,184                  | 223,722            | 274,521            |
| <b>Net (expenditure)/income for the year</b>          |       | (1,354)                    | 37                       | (1,317)            | (11,659)           |
| Gross transfers between funds                         |       | (2,444)                    | 2,444                    | -                  | -                  |
| <b>Net movement in funds</b>                          |       | (3,798)                    | 2,481                    | (1,317)            | (11,659)           |
| Total funds at 1 April 2011                           |       | 46,774                     | 230                      | 47,004             | 58,663             |
| <b>Total funds at 31 March 2012</b>                   |       | 42,976                     | 2,711                    | 45,687             | 47,004             |

The charity has no recognised gains or losses other than the results for the year as set out above. All of the activities of the charity are classed as continuing.

The notes on pages 13 to 21 form part of these financial statements.

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

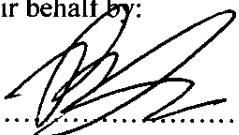
## BALANCE SHEET

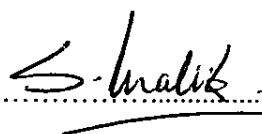
As at 31 March 2012

|                                                | Notes | 2012<br>£ | 2012<br>£ | 2011<br>£ |
|------------------------------------------------|-------|-----------|-----------|-----------|
| <b>Fixed assets</b>                            |       |           |           |           |
| Tangible assets                                | 7     |           | 367       | 230       |
|                                                |       |           |           | <hr/>     |
| <b>Current assets</b>                          |       |           |           |           |
| Debtors                                        | 8     | 16,010    |           | 3,831     |
| Cash at bank and in hand                       |       | 36,461    |           | 53,196    |
|                                                |       | <hr/>     |           | <hr/>     |
|                                                |       | 52,471    |           | 57,027    |
| <b>Current liabilities</b>                     |       |           |           |           |
| Creditors: Amounts falling due within one year | 9     | (7,151)   |           | (10,253)  |
|                                                |       | <hr/>     |           | <hr/>     |
| <b>Net current assets</b>                      |       |           | 45,320    | 46,774    |
|                                                |       |           | <hr/>     | <hr/>     |
| <b>Total assets less current liabilities</b>   |       |           | 45,687    | 47,004    |
|                                                |       |           | <hr/>     | <hr/>     |
| <b>Funds</b>                                   |       |           |           |           |
| Restricted funds                               |       |           | 2,711     | 230       |
| Unrestricted funds                             |       |           | 42,976    | 46,774    |
|                                                |       |           | <hr/>     | <hr/>     |
| <b>Total funds</b>                             | 12    |           | 45,687    | 47,004    |
|                                                |       |           | <hr/>     | <hr/>     |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the Board of Directors on 28<sup>th</sup> November 2012 and signed on their behalf by:

  
.....

  
.....

Brian Guthrie (Chairperson)

Sikander Malik

The notes on pages 13 to 21 form part of these financial statements.

# **CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2012**

### **1. Accounting Policies**

#### **a) Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified by the revaluation of fixed assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Financial Reporting Standard for Smaller Entities requires any surplus or deficit on a defined benefit pension scheme to be recognised in the financial statements. The Directors have decided not to follow this requirement as they believe that the additional cost of obtaining this information is greater than any benefit gained.

#### **b) Incoming Resources**

Incoming resources from grants, and voluntary income including donations, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled.

Incoming resources where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions that must be met before the charity has unconditional entitlement, and these conditions have not yet been met.

Gifts in kind are valued at a price the charity would have to pay in the open market for the equivalent item.

Investment income is recognised when receivable.

#### **c) Resources Expended**

All expenditure is accounted for on an accruals basis and is recognised in the period in which it is incurred. All costs have been directly attributed to one functional category of resources of expenditure in the SOFA. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

#### **d) Fund Accounting**

Funds held by the charity are either in an unrestricted general fund, which can be used in accordance with the charitable objectives, or in restricted funds. Restricted funds can only be used for particular purposes as specified by the donor.

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012

### 1. Accounting Policies (continued)

#### e) Tangible Fixed Assets and Depreciation

Assets are initially included at cost. The charity has the policy not to capitalise items under £250. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives at the following rates:- Office furniture and equipment: 25%; Computer equipment: 33%

#### f) Pensions

Central Scotland Regional Equality Council Limited contributes 21.9% of pensionable salary as an employer contribution to the Local Government Pension Scheme, administered by Falkirk Council. Contributions are charged to the profit and loss account as they become payable.

### 2. Activities in furtherance of charitable objectives

#### Grants receivable and contracts for services

|                                           | Unrestricted<br>Funds<br>£ | Restricted<br>funds<br>£ | 2012<br>Total<br>£  | 2011<br>Total<br>£  |
|-------------------------------------------|----------------------------|--------------------------|---------------------|---------------------|
| Equality & Human Rights Commission (EHRC) | -                          | -                        | -                   | 33,075              |
| Scottish Government (SAREC)               | -                          | 30,000                   | 30,000              | 30,000              |
| Scottish Government (Older People)        | -                          | 6,250                    | 6,250               | 25,000              |
| Scottish Government (Secondment)          | 32,685                     | -                        | 32,685              | 53,892              |
| Falkirk Council -Fairer Scotland Fund     | -                          | 55,870                   | 55,870              | 46,091              |
| Falkirk Council                           | 15,156                     | -                        | 15,156              | 16,077              |
| Clackmannanshire Council                  | 7,920                      | -                        | 7,920               | 8,425               |
| Stirling Council                          | 9,306                      | -                        | 9,306               | 9,306               |
| Community Jobs Scotland Fund              | 9,573                      | -                        | 9,573               | -                   |
| Growing Communities Fund                  | -                          | -                        | -                   | 4,956               |
| NHS Mental Health Project                 | -                          | 450                      | 450                 | 2,667               |
| Open Secret                               | -                          | 14,856                   | 14,856              | 4,208               |
| Early Years                               | -                          | 1,519                    | 1,519               | -                   |
| VAF: Anti Sectarianism Pilot Project      | -                          | 3,257                    | 3,257               | -                   |
| Big Lottery Fund: Sports Fund             | -                          | 2,000                    | 2,000               | -                   |
| Lloyds TSB Foundation: Capacity Building  | -                          | 1,019                    | 1,019               | -                   |
|                                           | <hr/> 74,640 <hr/>         | <hr/> 115,221 <hr/>      | <hr/> 189,861 <hr/> | <hr/> 233,697 <hr/> |

### 3. Net incoming/(outgoing) resources before transfers

|                                         | 2012<br>£ | 2011<br>£ |
|-----------------------------------------|-----------|-----------|
| This is stated after charging:          |           |           |
| Depreciation                            | 242       | 116       |
| Auditors' remuneration – audit fee      | 3,120     | 3,708     |
| Auditors' remuneration – other services | 492       | 1,920     |
|                                         | <hr/>     | <hr/>     |

**CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2012

**4. Charitable Activities**

|                                         | Note | Core<br>Activities<br>£ | Training<br>£ | Interpreting<br>& translation<br>£ | Other<br>Projects<br>£ | 2012<br>£      | 2011<br>£      |
|-----------------------------------------|------|-------------------------|---------------|------------------------------------|------------------------|----------------|----------------|
| Staff costs                             | 6    | 58,819                  | 53,637        | 11,221                             | 48,176                 | 171,853        | 230,923        |
| Staff training and recruitment          |      | 307                     | 48            | -                                  | 76                     | 431            | 1,192          |
| Secretariat                             |      | -                       | -             | -                                  | 4,722                  | 4,722          | -              |
| Training, conferences and public events |      | 988                     | 153           | -                                  | 244                    | 1,385          | 2,802          |
| Interpreting and translation costs      |      | 2,853                   | 443           | 11,291                             | 704                    | 15,291         | 7,747          |
| Rent                                    |      | 10,000                  | -             | -                                  | -                      | 10,000         | 10,000         |
| Telephone                               |      | 1,196                   | 185           | 197                                | 399                    | 1,977          | 1,737          |
| Post and stationery                     |      | 3,052                   | 473           | -                                  | 2,035                  | 5,560          | 3,375          |
| Accommodation and travel                |      | 2,282                   | 432           | -                                  | 725                    | 3,439          | 3,528          |
| Publicity                               |      | 496                     | 77            | -                                  | 122                    | 695            | 1,054          |
| Insurance                               |      | 1,236                   | 192           | -                                  | 305                    | 1,733          | 2,007          |
| Subscriptions                           |      | 727                     | 113           | -                                  | 179                    | 1,019          | 769            |
| Miscellaneous                           |      | 13                      | 2             | -                                  | 3                      | 18             | 608            |
| Professional and consultancy fees       |      | 351                     | 54            | -                                  | 1,106                  | 1,511          | 2,170          |
| Depreciation                            |      | 172                     | 27            | -                                  | 43                     | 242            | 116            |
| Bank & credit card charges              |      | 39                      | 6             | -                                  | 10                     | 55             | 165            |
| Productive labour & purchases           |      | 37                      | 6             | -                                  | 9                      | 52             | 2,293          |
| Repairs and renewals                    |      | 140                     | 22            | -                                  | 457                    | 619            | -              |
|                                         |      | <u>82,708</u>           | <u>55,870</u> | <u>22,709</u>                      | <u>59,315</u>          | <u>220,602</u> | <u>270,486</u> |

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2012

### 5. Governance Costs

|                                | 2012<br>£   | 2011<br>£   |
|--------------------------------|-------------|-------------|
| Auditors' remuneration         | 3,120       | 3,708       |
| Directors' and A.G.M. expenses | -           | 327         |
|                                | <hr/> 3,120 | <hr/> 4,035 |
|                                | <hr/> <hr/> | <hr/> <hr/> |

### 6. Staff costs

|                                            | 2012<br>No.   | 2011<br>No.   |
|--------------------------------------------|---------------|---------------|
| Senior management and administrative staff | 1             | 2             |
| Project officers                           | 4             | 4             |
|                                            | <hr/> 5       | <hr/> 6       |
|                                            | <hr/> <hr/>   | <hr/> <hr/>   |
|                                            | 2012<br>£     | 2011<br>£     |
| Staff costs comprise:                      |               |               |
| Salaries and wages                         | 133,765       | 194,240       |
| Social security costs                      | 12,633        | 16,604        |
| Pension costs                              | 25,455        | 20,079        |
|                                            | <hr/> 171,853 | <hr/> 230,923 |
|                                            | <hr/> <hr/>   | <hr/> <hr/>   |

No employee received emoluments of £60,000 or more in the year. Two directors were paid £85 (2011: one director £13) for interpreting services during the year. Three directors were reimbursed a total of £716 (2011: one director, £168) for travel and other expenses in the year.

Mukami McCrum, the CEO, was seconded to the Scottish Government during the current and previous years to develop and implement a programme of work on issues for minority ethnic women, including violence against women, forced marriage and female genital mutilation; and increasing employability. During the year the Scottish Government reimbursed salary costs of £32,685 (2011: £53,892). The secondment ceased on 31 October 2011 when Mukami McCrum resigned.

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2012

### 7. Tangible Fixed Assets

|                          | Computer<br>Equipment<br>£ | Office<br>Furniture &<br>Equipment<br>£ | Total<br>£         |
|--------------------------|----------------------------|-----------------------------------------|--------------------|
| <b>Cost</b>              |                            |                                         |                    |
| At 1 April 2011          | 15,627                     | 5,929                                   | 21,556             |
| Additions                | 379                        | -                                       | 379                |
| Disposals                | (757)                      | -                                       | (757)              |
|                          | <hr/> 15,249 <hr/>         | <hr/> 5,929 <hr/>                       | <hr/> 21,178 <hr/> |
| <b>Depreciation</b>      |                            |                                         |                    |
| At 1 April 2011          | 15,627                     | 5,699                                   | 21,326             |
| Charge for year          | 126                        | 116                                     | 242                |
| Elimination on disposals | (757)                      | -                                       | (757)              |
|                          | <hr/> 14,996 <hr/>         | <hr/> 5,815 <hr/>                       | <hr/> 20,811 <hr/> |
| <b>Net Book Value</b>    |                            |                                         |                    |
| At 31 March 2012         | <hr/> 253 <hr/>            | <hr/> 114 <hr/>                         | <hr/> 367 <hr/>    |
| At 31 March 2011         | <hr/> - <hr/>              | <hr/> 230 <hr/>                         | <hr/> 230 <hr/>    |

### 8. Debtors

|                               | 2012<br>£          | 2011<br>£         |
|-------------------------------|--------------------|-------------------|
| Grants receivable             | 12,878             | -                 |
| Other debtors and prepayments | 3,132              | 3,831             |
|                               | <hr/> 16,010 <hr/> | <hr/> 3,831 <hr/> |

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2012

### 9. Creditors: Amount falling due within one year

|                                      | 2012<br>£    | 2011<br>£     |
|--------------------------------------|--------------|---------------|
| Social Security and pension creditor | 2,979        | 3,605         |
| Other creditors and accruals         | 4,172        | 6,648         |
|                                      | <hr/>        | <hr/>         |
| <b>Total</b>                         | <b>7,151</b> | <b>10,253</b> |
|                                      | <hr/>        | <hr/>         |

### 10. Pensions

Five employees of Central Scotland Council for Regional Equality participate in the Local Government Pension Scheme, a defined benefit statutory scheme. The Fund, into which both staff and employer contribute, is administered by Falkirk Council, in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended. The assets of the Fund are therefore held separately from those of the Regional Equality Council.

A full actuarial valuation of the assets and liabilities of the Falkirk Council Pension Fund as at 31 March 2011 was carried out by Hymans Robertson, Glasgow in March 2012. As at 31 March 2011, the fund had a market value of £1,199m (including the present value of expected future early retirement strain payments of £18m) and was considered to be 86.1% funded. The next actuarial valuation of the Scheme will be carried out as at 31 March 2015.

In accordance with the Funding Strategy Statement of the Falkirk Council Fund, Central Scotland Council for Regional Equality, is part of the small admitted bodies pool for the purposes of determining its employer's contribution rate. The contribution rate for the three years 2012/13-2014/15, has accordingly been set at a minimum of 21.9% of employee salaries for each year.

The following assumptions are based on information provided by Hymans Robertson in the 2011 valuation report:-

| <u>Financial Assumptions as at</u> | <u>31 March 2011</u> |
|------------------------------------|----------------------|
| Price increases                    | 2.8%                 |
| Salary increases                   | 5.1%                 |
| Pension increases                  | 2.8%                 |
| Discount rate                      | 5.9%                 |

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2012

### 10. Pensions (continued)

#### Assets of the whole of Falkirk Council Pension Fund

Fund value at  
31 March 2011  
£000's

|          |           |
|----------|-----------|
| Equities | 892,000   |
| Bonds    | 153,000   |
| Property | 88,000    |
| Cash     | 48,000    |
|          | <hr/>     |
| Total    | 1,181,000 |
|          | <hr/>     |

#### Main features of the Local Government Pension Scheme

- Pension accrual rate of 1/80<sup>th</sup> pay for each year of service
- Lump sum accrual rate of 3/80ths pay for each year of service
- Vesting period of 2 years
- Normal retirement age of 65
- Voluntary retirement age of 60
- Redundancy and efficiency benefits available from age 50
- Immediate payment of benefits on permanent ill health grounds
- Tiered contribution rates based on earnings
- Facilities to pay increased contributions
- Death in service lump sum of 3 times pay
- Pensions for spouses, civil partners and children

The directors have not obtained a valuation for the pension scheme assets/liabilities for Central Scotland Regional Equality Council Ltd as they do not believe the cost thereof to be an efficient use of resources.

### 11. Taxation

As the company is exempt under the terms of Section 505 of the Income and Corporation Taxes Act 1988, there is no tax charge.

# CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 2012

### 12. Funds Movement

|                                    | Balance<br>1 Apr 2011<br>£ | Incoming<br>£ | Outgoing<br>£ | Transfers<br>£ | Balance 31<br>Mar 2012<br>£ |
|------------------------------------|----------------------------|---------------|---------------|----------------|-----------------------------|
| <b>Restricted Funds:</b>           |                            |               |               |                |                             |
| Scottish Government:               |                            |               |               |                |                             |
| SAREC                              | -                          | 30,000        | (30,000)      | -              | -                           |
| Older People                       | -                          | 6,250         | (8,012)       | 1,762          | -                           |
| Fairer Scotland                    | -                          | 55,870        | (55,870)      | -              | -                           |
| NHS Mental Health Project          | -                          | 450           | (450)         | -              | -                           |
| Open Secret                        | -                          | 14,856        | (14,856)      | -              | -                           |
| Early Years                        | -                          | 1,519         | (1,175)       | -              | 344                         |
| VAF (Anti sectarian pilot project) | -                          | 3,257         | (3,802)       | 545            | -                           |
| Big Lottery Fund (Sports project)  | -                          | 2,000         | -             | -              | 2,000                       |
| Lloyds TSB (Capacity Building)     | -                          | 1,019         | (1,019)       | -              | -                           |
| Capital reserve                    | 230                        | -             | -             | 137            | 367                         |
|                                    | <hr/>                      | <hr/>         | <hr/>         | <hr/>          | <hr/>                       |
| Total Restricted Funds             | 230                        | 115,221       | (115,184)     | 2,444          | 2,711                       |
| <b>General Unrestricted Fund</b>   | 46,774                     | 107,184       | (108,538)     | (2,444)        | 42,976                      |
|                                    | <hr/>                      | <hr/>         | <hr/>         | <hr/>          | <hr/>                       |
| <b>Total Funds</b>                 | 47,004                     | 222,405       | (223,722)     | -              | 45,687                      |
|                                    | <hr/>                      | <hr/>         | <hr/>         | <hr/>          | <hr/>                       |

**Scottish Government (SAREC):** Funding from the Race, Religion and Refugee Integration funding stream for work to implement the joint SAREC proposal.

**Scottish Government (Older People):** Funding from the Race, Religion and Refugee Integration funding stream to support the Forth Valley Minority Ethnic Older People Project.

**Fairer Scotland:** Funding from Falkirk Community Planning Partnership to support Minority Ethnic individuals reach their full potential by accessing training to improve their skills and employment opportunities.

**NHS Mental Health Project (Kick 4 Better Mental Health):** Funding from NHS Health Scotland for a five months outreach programme for men in local African, Chinese, Polish and South Asian Communities aiming to break down stigma and discrimination attached to mental health and wellbeing.

**Open Secret/Early Years:** Funding from Open Secret to work in partnership with Open Secret and raise awareness of childhood sexual abuse within Black Minority Ethnic (BME) communities.

## CENTRAL SCOTLAND REGIONAL EQUALITY COUNCIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2012

**Voluntary Action Fund (Anti Sectarian Pilot Project):** Funding for a project officer to work with the local community to develop project plans to tackle sectarianism.

**Big Lottery Fund (Sports project):** Funding towards sport hall hire and purchase of circuit equipment. The award was made towards the end of the 2011/12 financial year and as such no funds were spent until after the year end.

**Lloyds TSB (Capacity Building):** Funding for ten days strategic planning, governance and marketing strategy consultancy.

**Capital Reserve:** Representing the net book value of fixed assets purchased with capital grants and the balance of unutilised capital grants.

#### 13. Analysis of net assets between funds

|                       | Unrestricted<br>£ | Restricted<br>£ | Total<br>£ |
|-----------------------|-------------------|-----------------|------------|
| Tangible fixed assets | -                 | 367             | 367        |
| Net current assets    | 42,976            | 2,344           | 45,320     |
|                       | <hr/>             | <hr/>           | <hr/>      |
|                       | 42,976            | 2,711           | 45,687     |
|                       | <hr/>             | <hr/>           | <hr/>      |

#### 14. Company Limited by Guarantee

The members of the Board of Directors have indicated that they will contribute £1 each in the event of the winding up of the company.