

Charity Registration No. SC007896 (Scotland)

Company Registration No. SC183419 (Scotland)

**EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

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# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2020

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The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the company's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The objects of the company are:

- (i) To work towards the elimination of discrimination in all its forms
- (ii) to reduce inequality and promote a culture of human rights
- (iii) to promote good relations between persons of protected characteristics without distinction on grounds of colour, race, nationality, ethnic or national origin, gender, marital status, disability, sexual orientation, age and creed; and
- (iv) to promote and organise cooperation in the achievement of the aforesaid purposes and to that end to bring together in ELREC, representatives of the statutory authorities and voluntary organisations engaged in the furtherance of the aforesaid purposes within the Local Authority Council areas of the City of Edinburgh, East Lothian, Midlothian and West Lothian.

The key areas of ELREC activities are namely the following:

- **Policy development**  
To develop policies to ensure that agencies and employers in the statutory, non-statutory, private and voluntary sectors, especially in the Area of Benefit, are aware of the extent and nature of discrimination and inequality experienced by equality groups in the fields of social welfare, housing, employment, education and health care. To assist and encourage the aforesaid agencies and employers to implement policies and practices that will eliminate discrimination and promote equality of opportunity and good relations between persons of different groups. To ensure that service providers implement agreed policies on race relations.
- **Community support**  
To support organisations in the Area of Benefit which are concerned with the promotion of equal opportunity and good relations between persons of different equality groups, by providing them with such information, advice and other forms of assistance as may be both appropriate and in keeping with the Objects.
- **Assistance to individuals**  
To give information, advice and support of a non-financial nature to individuals who seek ELREC's assistance as a consequence of their experience of discrimination, in circumstances where such information, advice and support are not readily obtainable from other local agencies. In this clause 'support' may include representation at tribunals in circumstances where it is unreasonable, having regard to the financial resources available to the complainant, to expect her or him to obtain such representation.
- **Public education**  
To be aware of the educational needs of various disadvantaged communities and to maintain an appropriate programme of public information and public education related to ELREC's Objects and functions.

#### Mission

ELREC exists to promote equality and to fight all forms of prejudice. We believe that no one can claim to live in a fair and just society whilst prejudice and inequalities exist.

ELREC will work jointly with our beneficiaries and partners to challenge injustice and dismantle barriers which deny individuals and communities equal access to life opportunities in Edinburgh and Lothians.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Achievements and performance

#### Business Review and Plans for the Future

The 2019-2020 financial year was another productive, challenging, and successful one for ELREC. There were six ongoing projects this year, Communities for Conservation, True Colours, Equalities Engagement, Bright Choices, Open Arms and Young People against Hate.

However, the Bright Choices project funding ended in May 2019 and Young People against Hate project came to an end in September 2019. Both projects did very well, and we hope to secure future work in similar areas due to the success and demand for this work.

With the end of two projects and other changes, three staff members left this year, and one staff member redeployed in ELREC. We welcomed a new admin staff member in November 2019 with a 52-week contract.

ELREC received a grant for £2,000 from Edinburgh Airport for office maintenance. The funds were used for new flooring.

ELREC's support and advice service run by volunteers had 42 queries between April 2019 and March 2020. The queries were on housing, discrimination, legal matters, and benefits advice.

During the year we worked with many partner organisations and groups on issues of hate crimes, awareness sessions and public events. We continue to host many volunteers over the year working on our projects, helping with events, gaining skills and experience.

Throughout the year we have been supported in our work by the generosity of the Voluntary Action Fund/ Impact Funding, the Scottish Government, the Climate Challenge Fund, the Robertson Trust, Community Jobs Scotland, Aspiring Communities Fund (The Lottery), Peoples Postcode Lottery, Edinburgh Airport, and other Trusts and Foundations.

### Our Projects

#### Communities for Conservation

Funded by the Scottish Government's Climate Challenge Fund until March 2022, the Communities for Conservation project aims at inspiring Ethnic Minority (EM) communities in Edinburgh and Livingston to reduce their carbon footprint through saving energy at home, cycling instead of driving, growing food and zero waste activities. Activities included home energy visits, cycling classes, cycle rides, a bike library, food growing workshops, climate change workshops and training and community events to mainstream climate action.

#### Management:

On 1st April 2019, we recruited a new African Community Link Officer as the previous staff member left her role. The Spanish Community Link Officer left her role on 31 May 2019 and we recruited a new staff member. South Asian Link Officer passed their performance appraisal for the "befriending through gardening" project on 19/07/19. Our African Community Link Officer left her role on 16 August 2019 and we recruited a new staff who started on 16 September 2019. We recruited a new administrator in November 2019. All recruitment followed ELREC's open and fair recruitment policy. During the project, regular team meetings helped the team stay on track, share case studies / knowledge, reflect and ameliorate the project methodology.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Training:

In April 2019, the project coordinator took part in CEMVO's Asset transfer workshop.

In May 2019, The South Asian, Chinese and Polish CLO and Project coordinator took part in a "Waste and Recycling" training at West Lothian (WL) Council with Waste Engagement Officer Lindsey Patterson. The South Asian CLO attended KSB's "Increasing Participation in your Project" training. The Chinese, Polish, South Asian and African CLOs took part in HES's partnership event.

In June 2019, the Polish CLO attended the 'Low Carbon Scotland' Conference at Dynamic Earth.

In July 2019, the newly recruited Spanish and African CLO took part in KSB's Carbon Literacy training.

In September 2019, the African CLO passed KSB's Carbon Literacy Training. She learnt scientific arguments to discuss climate change more fervently. She learned excellent games and activities that were used during home visits to engage community members.

In October 2019, the team attended HES's training. It helped us to review HES's scheme and be updated on the support HES can provide. We discussed partnership and referral processes and the best use of the HES's online portal. The Spanish CLO and the Project Coordinator attended the CCF EM network at NKS.

In August 2019, the Project coordinator took part in CCF webinars about the new CCF round of funding, cycling and waste. The Project coordinator met with Development Officer. The newly recruited African CLO passed KSB's carbon literacy training.

In October 2019, The African CLO and Spanish CLO attended Energy Action Scotland's 'Stay Warm Stay Well' training. The team attended HES training delivered by Changeworks. We reviewed the HES scheme and the support HES can provide and we discussed partnership and referral processes and the online portal.

In November 2019, The African CLO took part in HES's Warmer Home Scotland training and gained a deep understanding the concept of fuel poverty and the best way to refer clients to HES.

In January 2020, the project coordinator took part in Take One Action's excellent campaigning training.

In February 2020, the Project Coordinator took part in the CCF's Final Report Webinar.

The project coordinator took part in the Scottish Government's "Climate Change Plan for Scotland -update 2020". The African CLO took part in the 5 days course City and Guilds' 'Energy Awareness' in the home.

### Partnership:

In April 2019, the Project Coordinator met with RBGE staff to organize a regular food growing community group. We decided to split the group into two. The Project Coordinator met with staff from the Welcoming to plan future events. The Project Coordinator attended the West Lothian (WL) Energy Forum.

Between March and July 2019, we hosted and facilitated the Edinburgh Climate Festival (ECF) meetings with the Welcoming, NKS, Score Scotland, and Crops in Pots. ELREC's Project Coordinator met with many stakeholders regarding the organization of the Edinburgh Climate Festival including the Council, the Centre for Ecology and Hydrology, Digital Communications Officer at Creative Carbon Scotland, Mad Challenges, Videographers and other parties listed in the ECF Final Report. ELREC hosted and facilitated the ECF meetings. The Project Coordinator was interviewed by That's TV Scotland. The Project Coordinator and Jolly Oluka briefed the Festival's volunteers. In July 2019, the consortium had a debrief meeting and formalized a consortium.

In May 2019, we met with Development Officer Fiona Jarvis to advise and find ways to ameliorate the project delivery and methodology.

In June 2019, the Polish CLO met with the Port of Leith Housing Association's Manager to establish a referral system for their ethnic minority tenants. The Polish CLO met with Feniks to promote our activities.

In July 2019, the Project Coordinator met with the Edinburgh Garden Partners to review the "Befriending through Gardening" project. We hosted the WL Energy Forum attended by WL CAB Advice shop, Almond Housing Association and HES. The Project Coordinator met with Ashley Erdman from the Edinburgh Bike Station to discuss our Cycling Friendly Employer accreditation.

In September 2019, the Project Coordinator was invited by 1.5 Degree Live and Friends of the Earth to read a key section of the 2018 IPCC 'Special Report on Global Warming of 1.5°C' in front of the Scottish Parliament.

In October 2019, we held a steering group meeting with "Befriending through Gardening" project. The Project Coordinator took part in the WL energy forum meeting also attended by HES, WL Advice Shop and West Lothian council. The Project Coordinator met with RBGE staff to discuss partnership. We advised Energy Action Scotland with their lone working policy for engaging with ethnic minority households.

In November 2019, we started partnering with Edinburgh Council's Just eat bikes scheme.

In January 2020, The Project Coordinator took part in the RBGE's 250th Anniversary. The Project Coordinator attended SCCS's COP 26 meeting.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Partnership (cont'd):

In February 2020, we applied to Awards for All for the Edinburgh Climate Festival. The Project Coordinator attended Sustrans's North Edinburgh cycling groups network meeting.

In March 2020, we applied to Erasmus plus project for a climate change related project. We took part in Change works' Climate Action Development workshop to contribute to a Climate Action project with Change works. We met with the Edinburgh Climate Festival consortium.

#### Energy:

The aim of the project is to help 340 EM households to reduce energy consumption by 10% through home energy visits saving 135.2 TCO<sub>2</sub>e. 5 Community Link Officers have helped South Asian, African, Chinese, Spanish and Polish households with:

- Energy tips to lower energy consumption and bills.
- Switching to a cheaper and green energy supplier.
- Reviewing energy contract and getting a cheaper tariff.
- Helping and advising with bills (estimated bill, submitting meter reading, etc.).
- Setting up an online account.
- Switching from prepayment meter to normal meter or smart meter.
- Helping with purchasing LED light bulbs.
- Using an energy monitor
- Financial help with energy debt (British gas trust, EON trust, etc).
- Checking eligibility for a new boiler, loft insulation, cavity wall insulation, draught proofing, and other energy efficiency measures through referral to Home Energy Scotland.
- Applying to the £140 Warm home discount.
- Signposting to relevant agencies.
- Thermal Imaging to see heat loss spots and cold spot in the house, and how to reduce heat loss
- Renewable energy advice.

With increasing demands from families and local organizations such as Multi Cultural Family Base, Shakti Women's Aid, Feniks, Health All Around, Vivid Accounts, Edinburgh Council and West Lothian Council resettlement officers, Change works, Citrus, Citizens Advice and community organizations, in 2018-19, CLOs have helped 226 new EM households to save energy and recycle more. During visits, by discussing news on extreme weather events from the households' home country, we explained how energy usage impacts on the environment and how positive individual actions snowball and benefit the whole society. By engaging families with games, saving tips, advice, and pledges, we are affecting behaviour changes which will have a lasting impact on the households' consumption and recycling habits.

#### Transport:

The demand for our greener travel activities has grown with word of mouth. The aim of the project is to help 200 EM people to reduce car travel by 15% and travel by public transport through cycling and walking activities - saving 36.72 TCO<sub>2</sub>e. In 2018-19, over 150 new participants have taken part in our cycling classes, cycle rides, bike repairs or bike/Ebike loans. We have influenced people's driving habits by giving them the skills, confidence and means with which they will be able to replace car use with cycling, thus reducing emissions. During our activities we discuss the environmental cost of driving and encourage people to cycle for commuting by advising on where to buy secondhand bikes, what to look for in a bike and bike routes.

We also aimed to help 100 EM drivers to reduce their fuel consumption by 10% through fuel efficient driving sessions savings 11.82 TCO<sub>2</sub>e. 50 participants have taken part in the driving efficiency training with courses ahead of us. We have worked with our eco-driving instructor to ensure that participants understand the link between consuming fuel and climate change. By building capacity, we expect to effect lasting behaviour changes in community members' commuting habits.

In October 2019, we were awarded the Cycling Friendly Employer with support from The Bike Station demonstrating our commitment to increase levels of cycling and walking for transport and leisure.

April 2019: Cycle ride to Cramond island attended by 37 people and supported by volunteers.

May 2019: Cycle ride to Lauriston Castle attended by 17 participants. We visited the Granton Goes Greener's Swap Shop where participants were able to take items of clothing home.

October 2019: Cycle ride to Craigmillar woods organised in partnership with Woodland wheels and attended by 13 participants.

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## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Bike library:

During the project, we lent Ebikes to 29 participants and standard bikes to 23 participants. The free loans lasted for up to three weeks for Ebikes or 2 months for standard bikes. When requested, we advised participants on what to look for when buying a bike and helped participants make a purchasing decision on several occasions. Edinburgh ABC kindly donated two bikes to us. In November 2018, we received £6,553.40 from the Energy Saving Trust's Ebikes grant fund of to purchase Ebikes and encourage the uptake of Ebikes in EM Communities. The 5 Ebikes have been very popular since. Thanks to the success of the 'EBikes for All' project, we received another grant £4,985 from the Ebikes Grant Fund for 4 extra Ebikes in March 2020.

### Waste:

The aim of the project is to help people reduce textile and food waste, increase composting and recycling, and repair clothes through swap shops/events, repair/reuse and upcycling workshops, and home waste visits saving 95.8 TCO2e. We have run a sewing club for participants to repair their clothes, sewing repairs, sewing workshops, organized big swap events, upcycling, and sewing workshops, recycling advice, and sustainable food workshops with Food Sharing Edinburgh. We have talked about the environmental impact of waste in different contexts.

### Awareness:

To inspire climate action, we aimed to organize 4 large community events and 20 climate change sessions within EM communities over the duration of project. In 2018-19, we have organized 5 swap shop events; 12 environmental film screenings: Chasing Coral (35 attendees), Blue (80), Cowspiracy (15), Plastic Ocean (38), Are you listening (70), Under the dome (20), Cowspiracy (20), Tomorrow (154 attendees), Blue (140), Climate Change: the facts (200), Plastic Ocean (128), Living the change (58); 15 workshops with diverse groups on upcycling, climate change, energy efficiency, sewing and other themes attended by 125 people; 3 community garden events attended by 170 people; 2 volunteers' celebrations.

Our events have consolidated the sense of community action and, because of the diverse audience they attract, have fostered community integration and reduced isolation.

### Food:

We aimed to help communities to set up community food growing spaces and to support our 5 existing community growing groups. In 2018-19, we have facilitated 6 volunteer-led community garden groups where participants have learnt food growing skills. Under the project's umbrella, we have also started a 3 years project in partnership with Edinburgh Garden Partners called Befriending through Gardening where volunteers matched with elderly EM garden owners to grow food.

### Sustainable Cooking Workshops:

We organized 8 sustainable cooking workshops in partnership with Edinburgh Food Sharing. The aim was to encourage participants to reduce food waste, to reuse leftovers and to use more seasonal and local food.

08/04/19 & 15/04/19: Sustainable cooking workshop with 20 people from the South Asian Positive futures' group. Both the workshop went very well. The group enjoyed all the good tips and the lovely food. The group was eager to have more sessions.

10/10/19: Sustainable cooking workshop with 10 ladies from Sikh Sanjog.

28/10/19: Sustainable cooking workshop with 10 people from the Chinese group at Cathay Court. Everyone thoroughly enjoyed both the discussion and the food.

17/02/20: Sustainable cooking workshop with 12 participants from the South Asian Positive Future's group.

11/03/20: Sustainable cooking workshop with 7 Syrian participants from Livingston's Syrian refugees' group. The group ate organic food. Participants gained knowledge on vegan milk and food options. Discussed the link between climate change and the meat industry etc. Brought people together with cooking tips, experiences and stories were shared from Italy, Scotland, Syria, and Palestine all around one table.

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## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Climate Change Community Events:

We organized various community events and led the organization of the Edinburgh Climate Festival 2019. Events were supported by numerous volunteers and sometimes organized in partnership with other organizations.

16/05/19: ELREC Open Day to promote our activities attended by 20 participants.

16/06/19: The Chinese group from the Milton Road Community Garden took part in the Power of Food Festival. Garden volunteers prepared Chinese soup and food for all participants.

06/07/19: Edinburgh Climate Festival attended by 6-8K participants co-organized with NKS, Welcoming, Leith Croft and Pots, Score Scotland.

25/07/19: Edinburgh Climate Festival's volunteers celebration at the Leith Crops in Pots Community Croft

25/08/19: Iqra Academy Big Gardening event: 'Befriending through Gardening' project launch event in Partnership with Edinburgh Garden Partners at the Leith Community Crops in Pots attended by over 100 people. Workshops and activities included making your own raised bed workshop by Croft Carbon College; intro to urban beekeeping; making your own plant pots out of newspaper workshop.

25/10/19: RBGE end of growing season celebration attended by 12 participants from our 2 groups.

#### Climate Change workshops:

4/04/19: Climate change and energy efficiency workshop to 8 West African ladies from the ladies forum in Granton.

30/04/19: Polish Scouts' workshop about bees and their importance in our ecosystem.

08/11/19: Project presentation and energy advice session to 10 participants from the Polish Toddler Group. Provided leaflets.

09/11/19: The Polish CLO delivered an upcycling workshop to 9 students from the Polish no boundaries Saturday School in Edinburgh. Discussed climate change and how can we prevent it in everyday life, at the end we talked about upcycling and made tea coasters out of old newspapers.

10/11/19: Climate conversation with 2 participants from the Leith Conversation Café. Filled the carbon footprint survey and discussed the outcomes. Discussed upcycling and recycling and made tea coasters out of old newspapers.

23/11/19: 'Islam & Climate change' workshop to 8 Muslim women from Egypt and Algeria. Discussed Climate change from the Islamic perspective. Motivated the community to take action through their intrinsic values. Offered energy saving tips and advice via games and activities.

02/12/19: Climate conversation with 4 participants from the Leith Conversation Café. Energy saving session and played the energy game.

12/12/19: Project presentation and energy advice to 7 participants from the 50+ Polish Senior Group. Discussed the best use of appliances such as storage heaters or prepayment meters. Signed people up to home energy visits.

27/01/20: Climate change and energy efficiency workshop to the South Asian Positive Future's group attended by 15 people. We also played the 'Nature is speaking video' and played the energy efficiency game.

01/02/20: The Polish CLO delivered an upcycling workshop to 12 students from the Polish no boundaries Saturday School in Livingston. Discussed climate change and how can we prevent it in everyday life, at the end we talked about upcycling and made tea coasters out of old newspapers.

We ran the Edinburgh Sustainable Meet which now has 1,299 members.

#### Community Outreach:

28/04/19: Stall at the African Ladies' Bazaar. We offered waste and energy advice, signed people up for home visits and promoted activities.

04/05/19: Stall and 'upcycling tea coasters out of newspaper' workshop at the 'Be United' event with volunteers.

03/08/19: Stall at NKS event. Played the energy efficiency game and delivered a small upcycling workshop. Promoted activities.

04/09/19: Promoted activities at Sikh Sanjog's AGM/ community event.

20/09/19: Stall and upcycling "newspaper into coasters" workshop at the Forestry commission's International Peace Day multicultural event.

26/10/19: Stall and upcycling workshop at Granton Goes Greener's Autumn Celebration.

26/10/19: Stall at the New Scots Gathering by the Scottish Refugee Council. Engaged with 24 people. Excellent networking opportunity.

4/12/19: Stall at Syrian event. We played the energy efficiency game. Engaged with 15 people.

08/03/20: Stall at Edinburgh Women Interfaith Group's International Women's Day. Delivered the 'Upcycling newspaper into tea coasters' workshop. Engaged with 23 people.

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# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Volunteering:

Volunteers were at the heart of the project. They helped to design and deliver key activities and this project could not have succeeded without them. We have empowered volunteers through involvement in and contribution to various strands of the project. We helped them develop skills and interests by allocating them the most appropriate work. Skills gained include teamwork, communication, creativity, planning, organizing and more. With varying degrees of involvement and leadership, volunteers helped with social media, designing, promotion, admin, presentations, research, organizing and delivering activities, creating upcycling activities, home energy visits, project stalls, events, film screenings, food growing activities, organizing health walks, sewing club, swap shops, community outreach, and other tasks. Over the project we have worked with 116 volunteers.

### True Colours

TRUE Colours is a volunteer led project that brings young people together to raise awareness about prejudice-based bullying and hate crime in schools and communities in Edinburgh. The group aim is to provide young people with tools and skills to recognize and challenge bullying behaviour. TRUE Colours volunteers come from various backgrounds and ages and help to create materials, draft reports and design and present interactive workshops for young people in schools.

The TRUE Colours project has been awarded with an additional 15 months of funding from the Impact Funding Partners' (formerly known as Voluntary Action Fund) Promoting Equality and Cohesion Fund. We will be applying for further funding from September 2021.

Between March 2019 and March 2020, the project recruited and trained 22 volunteers. Our volunteers help to create workshop material and develop content. The project has engaged with 700 young people and delivered 40 interactive workshops on hate crime, Equality Act and discrimination, bullying; and the group ran a Peer Education programme which included workshops on racism, disability, islamophobia, LGBT, gender representation and cyberbullying. The creative outputs from the students are displayed in ELREC offices and on social media.

In addition to the sessions in mainstream schools, the group delivered activity group workshops for young people who attend in community centres and afterschool clubs.

True Colours project welcomes volunteers from different backgrounds. The project also accommodates work placement students and interns from several colleges and universities. Until the Covid lockdown period in March 2020, the project took part in various community events, fresher's weeks, volunteer recruitment events and in career fairs in order to raise awareness on hate crime and prejudice based bullying and to engage young people to be part of our work.

### Bright Choices

Bright Choices started to operate in Edinburgh in June 2015 with funding from the Big Lottery for four years until the 30 May 2019. The project has been run in partnership with SACRO and Multi-Cultural family Base. The service was created to offer a wide range of support services to people affected by what is known as 'Honor Abuse' or 'Honor-Based Violence' (HBV), which includes coercive control, forced marriage and Female Genital Mutilation (FGM). Bright Choices directly helps Edinburgh's minority communities, through emotional and practical support, mediation, conflict resolution and communication support. In the past year, Bright Choices has received referrals from partner organizations, the NHS, community organizations, community members and the City of Edinburgh Council.

Bright Choices' outreach has been operating according to the outreach strategy, which consists of a variety of educational and practical programs and trainings, working with organizations, professionals, community groups and youth.

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## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Bright Choices (cont'd)

ELREC provided training to 207 professionals working in the NHS, Education, Police Scotland, Social Work, the Third Sector, as well as social work students on placement. The training provided is tailored to the specific responsibilities and work remits of different professionals and covers the warning signs of different forms of Honor-Based Violence—how to address it with individuals and families accessing services as well as relevant legislation and appropriate responses according to the work remits of different professionals.

One of the most significant achievements of the project has been to be tasked by the City of Edinburgh Council Child Protection Committee to develop and deliver FGM Level 2 training based on the Edinburgh and the Lothians Inter-Agency Procedures for the Protection of Girls and Women at Risk of Female Genital Mutilation (FGM).

My Life, My Choices: A Course on Human Rights and Honor-Based Violence for Young People  
Bright Choices continued its prevention work by raising awareness of human rights and Honor-Based violence with young people, who can be the most vulnerable to being victimized by forced marriage and female genital mutilation and who might be experiencing or witnessing abuse in their own or their friends' lives, through provision of 'My life, my choices' program to secondary school pupils.

Between March 2019 and the end of May 2019, Bright Choices attended five events including a seminar on Equality and Rights and Sexual health and violence. We delivered FGM level 2 training on behalf of the Edinburgh City Council Child Protection Committee and held two women's health workshops at two different organizations. We also delivered 3 follow up workshops in Drummond High School and supervised further 4 sessions with peer groups.

The project ended on the 31 May 2019.

### Open Arms

Open Arms is a collaboration project with Saheliya, LINKnet and Sikh Sanjog to set up an innovative programme providing vulnerable BME women living in Edinburgh with a wide range of activities to develop a pathway of support to integrate into the local community and become active citizens. The project will challenge the violation of basic human rights by addressing issues of discrimination, domestic abuse, gender oppression, mental health and emotional issues and confusion about sexual identity.

The aim of the project is to reduce isolation and loneliness, increase confidence, and develop interpersonal skills enabling BME women and their families to become an accepted part of the wider community. Through Open Arms at ELREC we have conducted a range of services for the women including Squash, gym memberships, counselling/ one on one support, talks and workshops based on different topics, and a film club. We have tailored the services offered based on what the women are interested in taking part in.

We have designed the services based on what the women are interested in taking part in. However, when the women are not directly involved with developing the services, information is gathered from other organizations and research about the services they benefit from in line with the objectives and outcomes of the project in general.

We gather information about what activities the women are interested in taking part in in a similar way. We mostly communicate either through email, social media, or the digitized entrance form.

The activities currently listed are: Body Maintenance classes, Cooking and Healthy Eating sessions, arts and crafts classes, Squash courses, Women's Health workshops and Free Style song and Dance.

We have made formal and informal partnerships and collaborations with a range of organizations including Scottish Squash Association, Projekt 42, Herriot Watt University, Strathclyde University, Sustrans, SACRO, Foundation Scotland, Pilton Community Health Project.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Open Arms (cont'd)

In 2019, through Open Arms at ELREC we have continued with the provision of services for the women including Squash, gym memberships, counselling/ one to one support, talks and workshops based on different topics, and a film club. These were the primary activities undertaken last year.

This year has been incredibly rewarding and challenging. One of the biggest successes that we did not anticipate was the Squash sessions. This was one of the services that was not based on the suggestion or direction of the Open Arms women. The original pilot session was meant to test the waters and see how the women responded and the overwhelming positive reaction was a huge shock to me. Therefore, we are formalized our Partnership with the Scottish Squash Association and are aiming to offer a more structured and consistent Open Arms Squash experience. 62 beneficiaries have participated this year as well as 10 volunteers.

### Young People against Hate

Young People Against Hate has delivered sessions on how to prevent and report hate crime to community centres and schools. We have done 8-week training sessions with peer educators who now support hate crime awareness sessions as well as develop programs and attend promotion sessions. Since the project started, we have trained 12 peer educators, 7 of whom have found employment. We have now delivered 130 sessions each with an empathy element. We have delivered sessions to 1231 young people.

The project ended September 2019.

### Equalities Engagement

Equality Engagement project has delivered number of activities which aims to increase participation and representation of BME communities in the public life and the democratic process.

Over the period of 2019 and 2020, the project has facilitated activities across the four Lothians local authorities. Diversity in Public Life project has carried out a mentoring program named Public Life Champion (PLC). One-to-one support provided to the scheme participants, who are interested to make progression into various level of public life. The project has supported to 32 BME individual, all are from BME communities, who enrolled into the PLC scheme. Half of them are BME women.

We have hosted series of engagement events, workshops, training sessions, information stalls, awareness meetings, presentation at the party branch meeting and outreach in collaboration with other government agencies and key stakeholders i.e. political parties. In total, 11 of the events hosted over the period, in collaboration with other agencies.

We have carried out awareness raising campaign, BME communities Voter registration drop-in surgery, community events across the Lothians ahead of UK General Election took place on 12 December 2019 and European Election took place in 23rd May 2019. We have promoted hustings events, polling information and other useful information among the BME community to increase their engagement with these democratic events.

Over the month of September – October 2019, the community council election took place in Edinburgh council. Our project has undertaken intensive promotion and awareness raising activities to increase involvement of BME communities within the community councils. We have directly supported BME candidates with their nominations process onto community council election via events and workshops. We have hosted an event: Diversity in Community Council in partnership with the Leith Links Community Council on 18 Sept 2019. Around 25 prospective candidates from BME community were attended to the event. By the end of the election process, 18 community councilors from BME community were duly elected in Edinburgh.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2020*

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### Equalities Engagement (cont'd)

Over the period, we have worked around Midlothian aiming to increase participation of BME community in local public life i.e., community councils. In collaboration with the Midlothian Council and Midlothian Peoples Equality Group, we have hosted an event- Promoting diversity in Midlothian public life on 02 May 2019. The event attracted over 40 people from diverse communities.

We have hosted training sessions for our PLC participants and newly elected community councilors. The training workshop on Communication Skills in public life took place on 21 May 2019. A special training session for newly elected community councilors from Edinburgh, hosted in collaboration with planning democracy in January 2019. We have partnered with Job centre plus to take number of initiatives to expand networking with the BME service providers and job centre customers from BME communities.

The joint diversity networking event took place in Wester Hailes job centre on 24 July 2019 and at the Leith Job centre on 23 October 2019. Key theme of these events was increase employability and build up networking. We have supported with the promotion of diversity recruitment initiatives run by public agencies, police Scotland and Scottish Government. One to one support was given to the PLC scheme members those who participated with these programs.

Over the period, we have disseminated public appointment vacancies among the BME communities and provided support with the relevant information, advice, and signpost. We have also promoted vacancies from the Scottish Parliament, employments at the office of the MP and MSPs and political parties.

The special initiatives undertaken by the public agencies to promote diversity within the employment and recruitment. in recruitment/graduation/apprenticeship program of the police Scotland, Scottish Parliament, Scottish Government, and others circulated among over 600 BME audiences via email network and social media. We have provided support out PLC members those who took part on politics day event run by MSPs at the Scottish Parliament. Overall, throughout the events, campaign, promotional activities, we have reached over 700 BME individuals in relation to equality engagement project activities. Our joint work carried out with Midlothian Peoples Equality Group (MPEG) and West Lothian Race Forum, Electoral Commission, Local councils, and many other agencies.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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### Financial review

The results for the year are set out on the following pages. Total incoming resources in the year decreased by £55,902 to £290,192. Total resources expended, including defined benefit pension scheme provision movements, decreased by £41,854 to £271,596.

The overall result for the year was a surplus of £18,596 (2019 - £32,644). The company carries forward total funds in surplus of £25,722 (2019 - £7,126), of which surplus £14,530 (2019 - surplus of £231,774) are restricted and earmarked for expenditure on specific projects in the following year.

The balance sheet includes total defined benefit pension scheme provisions of £28,147, without which the charity would have surplus reserves carried forward of £53,869.

### Principal Funding Sources

The company receives funding from several key sources including:

Scottish Government  
Voluntary Action Fund  
SACRO  
Saheliya

We are again duly grateful to those organisations, and to all other organisations which have supported us throughout the year.

In line with many other small charities who have previously participated in final salary pension schemes for its employees, and in line with the current known deficit on the pension scheme (which is closed to further entry), the company is required to pay approximately £4,000 (increasing by 3% per annum) to the pension scheme for the next 7 years. This is a cost that ELREC will need to meet with additional fundraising activities out with grant applications.

### Reserves Policy and Going Concern

Unrestricted funds include the general funds arising from past operating results. It is the policy of the charity to build up general funds, which are the free reserves of the organisation, to cover staff and office costs for a period of three months. The Directors are satisfied that the charity has adequate reserves to continue its objectives for the foreseeable future, and therefore believe it is appropriate to adopt the going concern basis in preparing these financial statements.

As at the balance sheet date the charity's balance sheet reported net assets of £25,722. This includes a provision of £28,147 in respect of the charity's obligations under its defined benefit pension scheme which is closed to new members. As the liability will not crystallise in the near future, the Directors are of the opinion that the charity will continue to meet its obligations for the foreseeable future, and as a result the accounts are prepared on a going concern basis.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2020*

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### **Risk management**

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. The major risks identified are in the area of sustaining the funding base for both core activities and continuation of projects. Steps were taken to ensure continuation of funding by regular reports to existing funders, meeting with stake holder such as Scottish Government and local authorities seeking alternative sources of income.

### **Going Concern and COVID-19**

COVID-19 will have an impact on our Charity in many different ways and it is important for our Directors to understand this impact on the delivery of our activity and on our governance, including our finances.

Our CEO and Finance Officer however are working hard to secure all the grants and funding available to us; and are reporting into the Trustees frequently. The Trustees are also keeping up to date with developing guidance from our charity regulator OSCR.

### **Decision Making**

The Management Board meets a minimum of six times a year. It receives reports from the Chair, subcommittees and staff. The Management Board approves the general policy which is administered by subcommittee or staff. There are three subgroups: Finance and General Purposes, Personnel and Policy and Membership Panel. Records of meetings are kept at ELREC offices.

Financial reports are produced on a monthly basis and copies supplied to the ELREC Treasurer, who in turn shares financial information with the Management Board.

### **Future Developments**

We look forward to continuing all of our projects into the next year. We continue to look for new ways to promote equality and work with the many communities we serve to support them however we can. Equality is a work in progress and ELREC must safeguard the progress made and carry on relentlessly in promoting equality, fighting discrimination, fostering good relations and work productively in partnerships with all members of the community.

# **EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2020***

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### **Structure, governance and management**

#### **Governing document**

Edinburgh and Lothians Regional Equality Council (ELREC) is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. ELREC was founded in 1971 and is made up of individual members and representatives from a wide range of organisations. ELREC has a remit to work across the areas of City of Edinburgh, East Lothian, Midlothian and West Lothian Councils.

#### **Organisational Structure**

ELREC is governed by a Management Board of 15 Directors who are elected from the membership. Those who served during the year are noted on the next page. Directors are appointed for 3 years at Annual General Meetings. Chair, Vice-Chair and Secretary are appointed to these posts for 1 year. The Management Board appoints from its members a Membership Panel, Finance and General Purposes Subcommittee and Personnel & Policy Subcommittee.

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

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

Induction for the Management Board is held annually, delivered by the Company Secretary and senior staff members.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Reference and Administrative Information

The Directors of the charitable company (the charity) are its Trustees for the purposes of Charity Law. The Trustees who served during the year and since the year end are as follows:

Honorary Patron Lord Provost RT Hon Frank Ross

Honorary President Professor Sir Geoff Palmer O.B.E

### Management Board of Directors

Chair	Foysol Hussain Choudhury M.B.E.
Vice Chair	DL Ehtisham Ullah (Shami) Khan
Treasurer	Cllr. Carl John
	Ijaz Nazir
	Azra Sharif-Qayyum
	Irina Lazarenko
	Rajnish Singh
	Ms Magdalena Sajnaga
	Jessica Zonghong Yang
	Irshad Ahmed
	Mohammed Shahid Riaz

Company Secretary Rajnish Singh

Manager Parveen Ishaq

Principal and Registered Office 14 Forth Street  
Edinburgh  
EH1 3LH

Bankers Bank of Scotland  
6 Picardy Place  
Edinburgh  
EH1 3JT

Independent Examiner Andrew Croxford, CA  
Thomson Cooper  
22 Stafford Street  
Edinburgh, EH3 7BD

Charity Registration Number SC007896

Company Number SC183419

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### Statement of trustees' responsibilities

The trustees, who are also the directors of Edinburgh and Lothians Regional Equality Council Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- 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 concern basis unless it is inappropriate to presume that the company will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report was approved by the Board of Trustees.

**Mr F Choudhury M.B.E**

Trustee

Dated: 7 December 2020

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

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I report on the financial statements of the company for the year ended 31 March 2020, which are set out on pages 17 to 37.

#### **Respective responsibilities of trustees and examiner**

The company's trustees, who are also the directors of Edinburgh and Lothians Regional Equality Council Limited for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Andrew Croxford, CA  
Thomson Cooper  
22 Stafford Street  
Edinburgh  
EH3 7BD

Dated: 7 December 2020

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

### Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b>Income from:</b>					
Donations and legacies	2	810	-	810	5,545
Charitable activities	3	8,332	281,038	289,370	331,826
Investments	4	12	-	12	7
<b>Total income</b>		9,154	281,038	290,192	337,378
<b>Expenditure on:</b>					
Charitable activities	5	56,088	216,519	272,607	313,450
<b>Net (outgoing)/incoming resources before transfers</b>		(46,934)	64,519	17,585	23,928
Gross transfers between funds		281,763	(281,763)	-	-
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		234,829	(217,244)	17,585	23,928
<b>Other recognised gains and losses</b>					
Actuarial gain on defined benefit pension schemes	18	1,011	-	1,011	8,716
<b>Net movement in funds</b>		235,840	(217,244)	18,596	32,644
Fund balances at 1 April 2019		(224,648)	231,774	7,126	(25,518)
<b>Fund balances at 31 March 2020</b>		11,192	14,530	25,722	7,126

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

### Prior financial year

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes			
<b>Income from:</b>				
Donations and legacies	2	5,545	-	5,545
Charitable activities	3	33,242	298,584	331,826
Investments	4	7	-	7
<b>Total income</b>		<u>38,794</u>	<u>298,584</u>	<u>337,378</u>
<b>Expenditure on:</b>				
Charitable activities	5	<u>87,363</u>	<u>226,087</u>	<u>313,450</u>
<b>Net (outgoing)/incoming resources before transfers</b>		<u>(48,569)</u>	<u>72,497</u>	<u>23,928</u>
Gross transfers between funds		<u>(3,509)</u>	<u>3,509</u>	<u>-</u>
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<u>(52,078)</u>	<u>76,006</u>	<u>23,928</u>
<b>Other recognised gains and losses</b>				
Actuarial gain on defined benefit pension schemes	18	<u>8,716</u>	<u>-</u>	<u>8,716</u>
<b>Net movement in funds</b>		<u>(43,362)</u>	<u>76,006</u>	<u>32,644</u>
Fund balances at 1 April 2018		<u>(181,286)</u>	<u>155,768</u>	<u>(25,518)</u>
<b>Fund balances at 31 March 2019</b>		<u><u>(224,648)</u></u>	<u><u>231,774</u></u>	<u><u>7,126</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	9		3,915		5,220
<b>Current assets</b>					
Debtors	10	8,131		1,333	
Cash at bank and in hand		49,766		40,136	
		<u>57,897</u>		<u>41,469</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(7,943)</u>		<u>(6,651)</u>	
Net current assets			49,954		34,818
<b>Total assets less current liabilities</b>			53,869		40,038
<b>Provisions for liabilities</b>	12		(28,147)		(32,912)
<b>Net assets</b>			<u>25,722</u>		<u>7,126</u>
<b>Income funds</b>					
Restricted funds	13		14,530		231,774
Unrestricted funds	14		11,192		(224,648)
			<u>25,722</u>		<u>7,126</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 7 December 2020

Mr F Choudhury M.B.E  
Trustee

Company Registration No. SC183419

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2020**

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### **1 Accounting policies**

#### **Charity information**

Edinburgh and Lothians Regional Equality Council Limited is a private company limited by guarantee incorporated in Scotland. The registered office is 14 Forth Street, Edinburgh, EH1 3JT.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the company's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The company is a Public Benefit Entity as defined by FRS 102.

The company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are aware of the potential impact on the company of the Coronavirus. The trustees are actively taking all steps to mitigate any impact the virus may have on the company.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants, where entitlement is not conditional on the delivery of a specific performance, are recognised when the charity becomes unconditionally entitled to the grant. Where a grant is received for a specific purpose, it is included in restricted income and any unexpended portion carried forward as a restricted fund.

Sundry income from charitable activities includes income earned from training and events and other general activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

---

### 1 Accounting policies

(Continued)

Investment income includes interest on funds held on deposit and is included when receivable and the amount can be measured reliably by the charity, normally upon notification of the interest paid or payable by the Bank.

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Staff costs are allocated on the basis of time spent on each activity by employees and other overheads according to estimated usage. Expenditure is classified under the following activity headings, where applicable:

- Cost of raising funds comprises the costs of the general fundraising activities of the charity, and their associated support costs.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries, including the costs of delivering various project objectives, and their associated support costs.
- Other expenditure comprises costs not falling into any other heading.

The charity is not registered for VAT and therefore all expenditure is recorded inclusive of VAT.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% straight line
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The charity meets the definition of a charitable company for UK corporation tax purposes and is therefore considered exempt.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

The charity makes contributions to employees' defined contribution schemes. The charity also makes additional contributions towards the Scottish Voluntary Sector Pension Scheme funding shortfall as required by this defined benefit scheme's pension recovery plan. This fund is now closed to new members or any further contributions from existing members.

#### 1.13 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	810	5,545

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3 Charitable activities

	2020 £	2019 £
Performance related grants	277,587	309,353
Other income	11,783	22,473
	<u>289,370</u>	<u>331,826</u>
Analysis by fund		
Unrestricted funds	8,332	33,242
Restricted funds	281,038	298,584
	<u>289,370</u>	<u>331,826</u>
<b>Performance related grants</b>		
Communities for Conservation	95,228	98,928
Scottish Government	30,789	46,388
SACRO	27,798	54,058
Eurodesk	2,317	2,002
Voluntary Action Fund	45,000	44,922
Saheliya	46,347	34,860
SCVO	11,498	4,304
Other	18,610	23,891
	<u>277,587</u>	<u>309,353</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	<u>12</u>	<u>7</u>

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 5 Charitable activities

	Promotion of Equality 2020 £	Promotion of Equality 2019 £
Staff costs	163,593	211,595
Events & activities	28,466	20,339
IT & computing	7,658	8,162
Travel expenses	2,759	2,879
Volunteers' expenses	2,330	2,483
	<u>204,806</u>	<u>245,458</u>
Share of support costs (see note 6)	62,994	64,411
Share of governance costs (see note 6)	4,807	3,581
	<u>272,607</u>	<u>313,450</u>
<b>Analysis by fund</b>		
Unrestricted funds	56,088	87,363
Restricted funds	216,519	226,087
	<u>272,607</u>	<u>313,450</u>

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	17,916	-	17,916	15,594	-	15,594
Consultancy, legal & professional	2,900	-	2,900	3,554	-	3,554
Depreciation	1,305	-	1,305	1,305	-	1,305
Heating & lighting	2,182	-	2,182	2,774	-	2,774
Insurance	352	-	352	322	-	322
Repairs, maintenance & cleaning	11,962	-	11,962	7,664	-	7,664
Postage, printing & stationery	1,504	-	1,504	7,413	-	7,413
Recruitment & advertising	280	-	280	3,874	-	3,874
Rent & rates	20,338	-	20,338	16,977	-	16,977
Sundry expenses	448	-	448	414	-	414
Telephone, fax & internet	2,757	-	2,757	3,747	-	3,747
Training costs	1,050	-	1,050	773	-	773
Accountancy fees	-	4,807	4,807	-	3,581	3,581
	<u>62,994</u>	<u>4,807</u>	<u>67,801</u>	<u>64,411</u>	<u>3,581</u>	<u>67,992</u>
Analysed between						
Charitable activities	<u>62,994</u>	<u>4,807</u>	<u>67,801</u>	<u>64,411</u>	<u>3,581</u>	<u>67,992</u>

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Senior staff members	1	1
Project development officers	12	12
Administrative and cleaning staff	2	3
	<u>15</u>	<u>16</u>

#### Employment costs

	2020 £	2019 £
Wages and salaries	173,622	208,858
Social security costs	5,765	12,283
Other pension costs	2,122	6,048
	<u>181,509</u>	<u>227,189</u>

There were no employees whose annual remuneration was £60,000 or more.

### 9 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2019	26,516	1,365	27,881
At 31 March 2020	<u>26,516</u>	<u>1,365</u>	<u>27,881</u>
<b>Depreciation and impairment</b>			
At 1 April 2019	21,296	1,365	22,661
Depreciation charged in the year	1,305	-	1,305
At 31 March 2020	<u>22,601</u>	<u>1,365</u>	<u>23,966</u>
<b>Carrying amount</b>			
At 31 March 2020	<u>3,915</u>	<u>-</u>	<u>3,915</u>
At 31 March 2019	<u>5,220</u>	<u>-</u>	<u>5,220</u>

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	6,336	-
Prepayments and accrued income	1,795	1,333
	<u>8,131</u>	<u>1,333</u>

### 11 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,939	2,779
Accruals and deferred income	6,004	3,872
	<u>7,943</u>	<u>6,651</u>

### 12 Provisions for liabilities

	Note	2020 £	2019 £
Retirement benefit obligations	18	28,147	32,912
		<u>28,147</u>	<u>32,912</u>

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes.

Following a review of the restricted funds, historical costs borne by the unrestricted fund during previous years were identified and, upon completion of these projects, balances have been transferred back to the unrestricted fund.

Current year	Movement in funds				Balance at 31 March 2020
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Edinburgh Equality	14,988	25,000	(17,665)	(22,323)	-
Young People Against Hate	10,216	30,790	(18,964)	(22,042)	-
True Colours	22,289	20,000	(15,460)	(26,829)	-
Edinburgh Climate Festival	6,382	6,806	(15,051)	1,863	-
Santander	1,400	-	-	(1,400)	-
Forestry Commission	2,398	-	-	(2,398)	-
Cycling for Scotland	1,841	-	-	(1,841)	-
Bright Choices	66,283	27,798	(8,532)	(85,549)	-
Your Network	4,413	-	-	(4,413)	-
Cycling UK	1,739	-	-	(1,739)	-
Climate Change Foundation	41,845	101,564	(97,501)	(45,908)	-
Routes to Roots	28,385	-	-	(28,385)	-
VAF Micro Grant	449	-	-	(449)	-
No Hate Here	1,410	-	-	(1,410)	-
Hate Crime	588	-	-	(588)	-
Eurodesk	6,432	2,316	(194)	-	8,554
Open Arms	19,764	46,347	(28,711)	(37,400)	-
Support & Advice	952	-	-	(952)	-
SCVO	-	10,735	(10,209)	-	526
Edinburgh Garden Partners	-	2,750	(2,280)	-	470
Edinburgh Airport	-	2,000	(1,852)	-	148
Foundation Scotland	-	4,932	(100)	-	4,832
	231,774	281,038	(216,519)	(281,763)	14,530

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 13 Restricted funds

(Continued)

Prior year	Movement in funds				Balance at 31 March 2019 £
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	
Edinburgh Equality	6,764	12,422	(4,198)	-	14,988
Young People Against Hate	4,634	42,158	(36,576)	-	10,216
True Colours	15,646	10,000	(3,357)	-	22,289
Edinburgh Climate Festival	-	10,000	(3,618)	-	6,382
Santander	1,400	-	-	-	1,400
Forestry Commission	2,398	-	-	-	2,398
Cycling for Scotland	1,641	800	(600)	-	1,841
Bright Choices	37,400	54,058	(25,175)	-	66,283
Your Network	4,413	-	-	-	4,413
Cycling UK	1,739	-	-	-	1,739
Climate Change Foundation	23,092	104,468	(85,715)	-	41,845
Routes to Roots	36,652	5,245	(13,512)	-	28,385
VAF Micro Grant	449	-	-	-	449
Volunteer to achieve	2,618	22,500	(28,627)	3,509	-
No Hate Here	1,410	-	-	-	1,410
Hate Crime	588	-	-	-	588
Eurodesk	4,854	2,002	(424)	-	6,432
Open Arms	7,793	34,931	(22,960)	-	19,764
Support & Advice	2,277	-	(1,325)	-	952
	155,768	298,584	(226,087)	3,509	231,774

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 13 Restricted funds

(Continued)

**Equalities Engagement** – project facilitated number of initiatives over the year to increase participation of diverse communities in Public Life and the Democratic Process. Major works under Equality Engagement project was carried out under the Diversity in Public Life. Most of these project activities were aimed to foster engagement with the diverse communities and groups to positively advance the Public Sector Equality Duty in Edinburgh and the Lothians. Most of these works facilitated in partnership with public sector organisations, third sector organisations and community groups.

**Young People Against Hate (YPAH)** – funded by the Big Lottery: Young Start Programme. It brings young people in Edinburgh together to raise awareness about hate crime in their communities and encourages others within those communities to do more to tackle problems such as racism, homophobia and islamophobia. The original target areas were Gracemount, Saughton, Westerhailes and Craigmiller and this was expanded to include North Edinburgh due to the high level of hate crimes which had been identified there. The aim of the project was to provide the tools and develop the skills of young people in these areas so they are equipped to challenge discrimination. The project ceased in September 2019.

**True Colours** – funded by VAF, True Colours aims to develop and deliver peer education programme to children and young people in primary and secondary schools within the Edinburgh area in the form of training workshops aimed at tackling topical issues in schools today.

**Communities for Conservation (Climate Challenge Fund)** – the project started in June 2014, and has been funded from the by the Climate Challenge Found (CCF). The main aim of the project is to engage with the Polish, South Asian, African, Chinese and Spanish communities in Edinburgh and develop initiatives to increase energy efficiency, save carbon and raise awareness of climate change. This has now been increased to include workshops on sustainable cooking and a climate friendly transport initiative.

**Santander Fund** – funding received to purchase new computer equipment. This fund has now ceased.

**Forestry Commission** – the Forestry Commission gave ELREC a small grant that aimed to get Black and Minority Ethnic people and underrepresented groups out in green areas and in spaces managed by the Forestry Commission. Three trips were organised, one focusing on walking, another one on cycling and the third one on photography. This fund has now ceased and final costs have now been offset.

**Cycling for Scotland** – a grant that supports ELREC Cycling Club and that has allowed the purchase of a fleet of bikes. ELREC did yearlong activities including cycling classes and maintenance workshops.

**Bright Choices** – established in Edinburgh in 2015 with funding from the Big Lottery for four years. The service was created to offer a wide range of support services to people affected by what is known as 'Honour Abuse' or 'Honour-Based Violence' (HBV), which includes domestic abuse, forced marriage and female genital cutting or Female Genital Mutilation (FGM). Bright Choices directly helped Edinburgh's minority communities, through emotional and practical support; mediation, conflict resolution and communication support. This project ceased in May 2019 and all costs have now been offset.

**Your Network** – funded by Erasmus Plus, but the funding was managed by the British Council. The aim of this project was to bring together 6 organisations across Europe working to support young people find employment and have an understanding of the challenges of moving abroad. This fund has now ceased and all associated costs have been allocated.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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### 13 Restricted funds

(Continued)

**Big Bike Revival Cycling UK** – 2 month long activities including a series of events and cycling workshops. This project has now ceased and all associated costs have been allocated.

**Routes to Roots** – Adopting Scotland as a Homeland - a project funded by the Heritage Lottery Fund until June 2018. The project aimed to explore the intertwining shared heritage of Scottish and diverse communities and mainstream the histories of minority ethnic communities in Edinburgh and the Lothians. The project worked mainly with the South Asian, African, Polish, Spanish and Chinese communities. This project has now ceased and all associated costs have been allocated.

**VAF Micro Grant** – a small grant received from VAF for an end of the year celebration event for ELREC volunteers.

**Volunteer to Achieve** – funded by VAF, Volunteering to Achieve project allowed ELREC to continue to recruit and support additional volunteers which are vital to the running of the organisation.

**No Hate Here** – ELREC received the Leith Decides grant to promote an informative campaign on hate crime and incidents in Leith area. Our aim was to raise awareness on hate crime and the high level of that in Edinburgh North, and Leith, besides its consequences and the support available for the victims. We applied to Leith Decides to specifically focus our work in Leith because we would like to have a stronger presence in the area and to strengthen our connections with other charities, statutory bodies and organisations in Leith to provide the most efficient service to the community. This project has now ceased and remaining costs have been allocated.

**Hate Crime Midlothian** – this project is funded by Midlothian Council for 6 months starting from 31st July 2017. The project promoted Hate crime awareness and training among young people, youth workers and teachers in Midlothian. The final costs of this project have now been allocated.

**Youth Zone/Eurodesk** – a two-year project funded by the Robertson trust and match-funded by the Big Lottery: Young Start. The Youth Zone aims to tackle discrimination against young BME people through providing support, advice, training opportunities and a safe space where they can meet. In doing this, the Youth Zone wants to help them engage in mainstream services and facilitate their inclusion in employment, volunteering and higher education.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 14 Unrestricted Funds

These are unrestricted funds which are material to the company's activities made up as follows:

	Movement in funds					Balance at 31 March 2020
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	
Current year	£	£	£	£	£	£
Unrestricted - General						
Core Costs	(191,736)	9,154	(56,088)	276,998	1,011	39,339
Designated - Future Costs	(32,912)	-	-	4,765	-	(28,147)
	<u>(224,648)</u>	<u>9,154</u>	<u>(56,088)</u>	<u>281,763</u>	<u>1,011</u>	<u>11,192</u>

	Movement in funds					Balance at 31 March 2019
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	
Prior year	£	£	£	£	£	£
Unrestricted - General						
Core Costs	(161,476)	38,794	(87,363)	9,593	8,716	(191,736)
Designated - Future Costs	(19,810)	-	-	(13,102)	-	(32,912)
	<u>(181,286)</u>	<u>38,794</u>	<u>(87,363)</u>	<u>(3,509)</u>	<u>8,716</u>	<u>(224,648)</u>

**Designated Fund : Future Costs** - represents unrestricted funds set aside in previous years to contribute towards the deficit on the multi-employer defined benefit pension scheme (see note 18).

### 15 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 March are represented by:						
Tangible assets	3,915	-	3,915	5,220	-	5,220
Current assets/ (liabilities)	35,424	14,530	49,954	(196,956)	231,774	34,818
Provisions and liabilities	(28,147)	-	(28,147)	(32,912)	-	(32,912)
	<u>11,192</u>	<u>14,530</u>	<u>25,722</u>	<u>(224,648)</u>	<u>231,774</u>	<u>7,126</u>

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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### 16 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	18,333	17,250
Between two and five years	3,083	21,417
	<u>21,416</u>	<u>38,667</u>

### 17 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

### 18 Pension commitments and contingent liabilities

ELREC operates a defined contribution pension scheme for the benefit of its employees and also contributes to personal pension arrangements. The defined benefit scheme is closed to new members and future accrual.

Defined benefit pension scheme:

The company participates in the scheme, a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

# EDINBURGH AND LOTHIAN REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

#### Deficit contributions

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From 1 April 2019 to 30 September 2026:	£1,404,638 per annum (payable monthly and increasing by 3% each year on 1st April)
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From 1 April 2019 to 30 September 2027:	£136,701 per annum (payable monthly and increasing by 3% each year on 1st April)
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The contributions to 30 September 2027 are in respect of those employers that have agreed concessions (both past and present) with the Trustee.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £88.2m, liabilities of £122.1m and a deficit of £33.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

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From 1 April 2016 to 31 October 2029:	£1,323,116 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2031:	£292,376 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2031:	£37,475 per annum (payable monthly)

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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

	31 March 2020 (£s)	31 March 2019 (£s)	31 March 2018 (£s)
Present value of provision	28,147	32,912	43,740
PRESENT VALUES OF PROVISION			

### RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2020 (£s)	Period Ending 31 March 2019 (£s)
Provision at start of period	32,912	43,740
Unwinding of the discount factor (interest expense)	448	843
Deficit contribution paid	(4,202)	(3,618)
Remeasurements - impact of any change in assumptions	(1,011)	663
Remeasurements - amendments to the contribution schedule	-	(8,716)
Provision at end of period	28,147	32,912

### INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2020 (£s)	Period Ending 31 March 2019 (£s)
Interest expense	448	843
Remeasurements – impact of any change in assumptions	(1,011)	663
Remeasurements – amendments to the contribution schedule	-	(8,716)
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

### ASSUMPTIONS

	31 March 2020 % per annum	31 March 2019 % per annum	31 March 2018 % per annum
Rate of discount	2.57	1.46	2.01

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

# EDINBURGH AND LoTHIANS REGIONAL EQUALITY COUNCIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### SCHEME: TPT Retirement Solutions - Scottish Voluntary Sector Pension Scheme

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

#### DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2020 (£s)	31 March 2019 (£s)	31 March 2018 (£s)
Year 1	4,328	4,202	3,618
Year 2	4,458	4,328	3,726
Year 3	4,592	4,458	3,838
Year 4	4,729	4,592	3,953
Year 5	4,871	4,729	4,072
Year 6	5,017	4,871	4,194
Year 7	2,584	5,017	4,320
Year 8	-	2,584	4,449
Year 9	-	-	4,583
Year 10	-	-	4,720
Year 11	-	-	4,862
Year 12	-	-	2,921
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.