

**Environmental Rights Centre for Scotland**  
(A Scottish Charitable Incorporated Organisation)

**REPORT AND FINANCIAL STATEMENTS**  
**for the period ended 31 March 2021**

**Scottish Charity number SC050257**

## **Environmental Rights Centre for Scotland**

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## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Trustees**

Lloyd Austin (Chair from 1 February 2021)	(appointed 3 July 2020)
Campbell Gemmell (Chair until 1 February 2021)	(appointed 3 July 2020)
Deborah Long (Treasurer)	(appointed 29 September 2020)
Julie Christie	(appointed 5 April 2021)
Ben Christman	(appointed 29 September 2020, retired 16 May 2021)
Mary Church	(appointed 3 July 2020)
Jackie Erdman	(appointed 15 December 2020)
Juliet Harris	(appointed 15 December 2020)
Aedán Smith	(appointed 3 July 2020)
Clare Symonds	(appointed 3 July 2020)

#### **Registered charity number**

SC050257

#### **Registered and principal office**

c/o Scottish Environment LINK  
Dolphin House  
4 Hunter Square  
Edinburgh  
EH1 1QW

#### **Independent auditor**

Geoghegans  
6 St Colme Street  
Edinburgh  
EH3 6AD

#### **Bankers**

Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **CHAIR'S FOREWORD**

I am delighted, as Chair at the time of writing, to present this first annual report from the Trustees. In doing so, however, I wish to thank Mary Church and Campbell Gemmell, who respectively chaired the LINK sub-group, which established ERCS, and the ERCS Board of Trustees for its first six months. The successes set out in this first report reflect their leadership. We look forward to benefitting further from their experience and expertise as they remain with us as Trustees in the coming year. Further thanks are, of course, due to all our Trustees and the staff of both ERCS and LINK for managing the establishment of ERCS as well as our transition to an independent organisation so smoothly and successfully.

This report summarises a successful first year. We have laid the foundations for the organisation we hoped to create and have already put in place substantive plans for the next and successive years. Indeed, at the time of writing, some of those plans have already started to bear fruit – and it was a great pleasure to welcome over 150 participants to our online launch – demonstrating the interest and support that exists across Scotland for our work.

Looking forward, we will implement and build on these plans – consolidating but also delivering more. We have a full staff complement, led by our Chief Officer, as well as a Board of Trustees – who, together, have the knowledge and enthusiasm to make it a reality. In the short term, these plans will include an update to the business plan, a fundraising strategy, implementing the advocacy workplan and launching the new advice service – as well as welcoming new members and associates to support our work. We even hope to be able to meet physically before too long!

I hope this report makes interesting reading and I look forward to a busy 2021-22 and another successful year for ERCS.

**Lloyd Austin**  
Chair

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

The trustees are pleased to present their report and financial statements for the period 3 July 2020 to 31 March 2021, prepared in accordance with the accounting policies set out in note 1 to the financial statements, observing the methods and principles in the Charities SORP (FRS 102) (October 2019) and complying with Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Structure, governance and management

##### Structure

The Environmental Rights Centre for Scotland (ERCS) is a Scottish Charitable Incorporated Organisation (SC050257) registered on 3 July 2020. ERCS was initiated by Scottish Environment LINK (LINK) in January 2020 with the recruitment of two part-time workers.

LINK is a Scottish Charity (SC000296) and a Scottish Company Limited by guarantee and without a share capital (SC250899). Founded in 1987, LINK is the forum for Scotland's voluntary environmental community, with over 40 member bodies representing a broad spectrum of interests with the common goal of contributing to an environmentally sustainable society. LINK is core funded by membership subscriptions and grants from charitable trusts, NatureScot and Scottish Government.

LINK remains ERCS's parent charity until the full transfer of financial and employer liabilities, effective as of 1 July 2021. There is a Service Level Agreement between LINK and ERCS which sets out the terms of services and resources that LINK provides free of charge. This covers:

- the secondment of staff;
- grant management and financial oversight;
- mentoring from LINK's Chief Officer to ERCS's Chief Officer.

##### Governance

ERCS has a two-tier [Constitution](#) with free membership. The maximum number of charity trustees is 12: LINK has two nominated places and there is provision for two co-opted positions, with the remaining eight open to membership election.

ERCS's Constitution was formally adopted on 1 September 2020. Up until this point, the LINK's Legal Strategy Subgroup was operating as a shadow Board of Trustees (Mary Church as Chair) providing continuity and strategic direction.

##### Recruitment and appointment of ERCS trustees

The initial trustees of ERCS with effect from the date of incorporation were Mary Church, Clare Symonds and Aedán Smith. On 1 September, the LINK Legal Strategy Subgroup invited Campbell Gemmell to become the Chair of the Trustees and the following were appointed to the Board of Trustees to formally adopt ERCS's Constitution: Campbell Gemmell (Chair), Mary Church, Clare Symonds, Aedán Smith and Lloyd Austin. Deborah Long (Treasurer) and Ben Christman were appointed on 29 September 2020. Deborah Long, as Chief Officer of LINK, and Lloyd Austin as Chair of LINK's Governance Group hold the two LINK nominations.

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

#### Structure, governance and management (continued)

##### Recruitment and appointment of ERCS trustees (continued)

These initial trustees have combined work experience in the most prominent environmental non-governmental organisations in Scotland as well as grassroots community activism and the law. Following a skills audit in September 2020, an open recruitment process was instigated to attract trustees from disciplines outside the environment sector. Juliet Harris and Jackie Erdman were duly appointed trustees on 15 December 2020 bringing their expertise and experience of advancing children's rights and addressing health and systemic inequalities.

##### Induction and training of trustees

A trustees' induction pack is provided to all trustees and includes the Constitution, Business Plan, Board Membership Protocol and Trustees' Roles and Responsibilities. **Guidance and Good Practice for Charity Trustees** and SCVO updates are also provided. Trustees must declare any interests and agree to a code of conduct. Training for Trustees is largely informal through briefing sessions or peer support within the Board. The Chair also has individual discussions with trustees on the Board's evolving role as ERCS develops.

##### Management

There were seven Board meetings during this period to maintain oversight on ERCS's financial and non-financial performance and activities. In addition, trustees each contributed to one or more of the Board's three working groups: Operations, Advice and Advocacy.

##### Key management personnel

The ERCS trustees consider that they, together with the ERCS Chief Officer, comprise the key management personnel, with the day -to-day operations delegated to the Chief Officer. As LINK is the parent charity, bi-weekly calls are held between the Chief Officers of LINK (Deborah Long, also trustee and nominated LINK representative on the Board) and ERCS to overview progress and provide line management. The ERCS Chief Officer also meets regularly with the Chair.

The Trustees who were appointed during the year are set out on page 1. [The Trustees](#) are not remunerated, and the pay and remuneration of the ERCS staff team is set by the Board and is kept under annual review.

The Chief Officer has weekly team meetings and regular support and supervision with the ERCS team.

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

#### Structure, governance and management (continued)

##### ERCS Staff

Shivali Fifield	0.8 FTE Chief Officer from 1 January 2021 (appointed Development Manager in January 2020)
Emilia Hanna	0.8 FTE Advocacy Officer (appointed 30 August 2020)
Emma Donaldson	0.4 FTE Administrator (appointed 30 August 2020)
Ian Cowan	0.6 FTE Programme Manager (appointed January 2020 until 20 January 2021)

#### Charitable purposes and activities

***ERCS's vision is of a Scotland where every person's right to live in a healthy environment is fully realised.***

Our aim is to increase the capacity and opportunity of individuals, community groups and organisations to challenge environmental injustice at neighbourhood, local authority and national levels. We promote environmental justice in two ways:

- Substantive: by working to address the unequal distribution of environmental problems, and promoting everyone's right to a healthy environment;
- Procedural: by working for meaningful participation in decision-making and for fair, timely and affordable access to legal action as a last resort.

Through our work, we fulfil the charitable purposes of the advancement of human rights, the advancement of environmental protection and improvement, citizenship and community development, and education.

#### Background

LINK has long recognised the importance of the credible threat of legal action in upholding environmental rights and enforcing environmental protection, as well as the myriad difficulties of legal redress for communities and environmental non-governmental organisations (eNGOs). In 2018, LINK commissioned a Feasibility Study which outlines the need and demand for our services to address Scotland's substantive environmental problems and systemic environmental governance and procedural problems.

##### i. Substantive environmental problems

As well as tackling the climate and nature emergencies, there are significant environmental problems in Scotland: with many people, particularly living in areas of highest deprivation, suffering from air pollution; poor environmental quality; poor access to good quality greenspace; and close proximity to vacant and derelict land. In addition, children, the elderly, and people with health problems are more negatively affected by environmental health hazards and are less resilient to the impacts of climate change and nature loss, exacerbating existing health inequalities and systemic discrimination.

##### ii. Environmental governance and procedural problems

There is a clear unmet need within communities and civil society relating to the understanding of legal rights and remedies in environmental matters. At the same time, the environment has 'no voice' in the Scottish courts and relies on individuals, communities and environmental non-governmental organisations (eNGOs) to be that voice.

## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **TRUSTEES' REPORT**

#### **Charitable objectives and activities (continued)**

Governance and procedural problems include limited public participation in the planning system, poor implementation and/or enforcement of planning and environmental law, the absence (in the main) of any system for substantive review, and the prohibitive expense to challenge potentially unlawful environmental decisions - which is also one of the significant barriers to public interest litigation.

Following the establishment of ERCS, a third interconnected demand for our services was identified.

- iii. To meet the opportunities of incorporating the human right to a healthy environment, and responding to the challenges arising from Brexit and COVID-19

Following the recommendation from the First Minister's Advisory Group on Human Rights Leadership for the incorporation of the right to a healthy environment in the new human rights framework, there is a significant opportunity to help shape how this is established in law and support its effective implementation. Equally, environmental governance problems are worsened further by leaving the European Union and the lack, thus far, of equivalent or better mechanisms to deal with failures. Together with the uncertainty created by the pandemic, the need for an environmental legal specialist like ERCS is even more pressing.

#### **Mission statement and values**

Our mission is to assist members of the public and civil society to understand and exercise their rights in environmental law and to protect the environment. We will do this through:

- public education to increase awareness of legal rights and remedies in environmental matters;
- advice, assistance and representation to improve public participation in environmental decision-making;
- advocacy in policy and law reform to improve environmental law and access to justice on the environment; and
- strategic public interest litigation to enforce progress on key environmental issues and tackle systemic environmental problems.

ERCS understands environmental law to include law relating to land-use planning, climate change, pollution control, environmental health, the conservation of biodiversity, and any other field (e.g. cultural heritage, transport and energy) to the extent that it impacts on the natural environment in Scotland.

Our operating values and principles are to be:

- open, accessible and approachable in how we offer our services;
- respectful, collaborative and enabling in how we deliver our services;
- evidence-based and assertive in how we advocate for policy and law reform;
- trusted and authoritative in how we pursue environmental rights and litigation.



## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **TRUSTEES' REPORT**

#### **Achievements and performance**

In our first year, ERCS was able to lay the foundations for a resilient organisation and begin to deliver on its charitable purposes.

#### **Business and organisational development**

ERCS was initiated in January 2020 with three-year funding (£120,000) from the Joseph Rowntree Charitable Trust to employ two part-time staff: Development Manager and Programme Manager, comprising a total of 1.2 full-time equivalents (FTE). In July 2020, as well as becoming a constituted organisation, we agreed our Business Plan, with a three-year financial forecast, underpinned by a theory of change to provide strategic direction.

Two new workers, our Advocacy Officer (0.4 FTE) and Administrator (0.2 FTE), joined the team on 30 August 2020 to help deliver our workplan, and we were able to launch our website <https://www.ercs.scot/> on 1 September to highlight our work and raise our profile. By March 2021, we had over 30 online subscribers receiving our regular e-bulletins.

From this strong start, we were able to pursue further funding and were delighted to be awarded an additional £120,000 over three years from the Esmée Fairbairn Foundation to contribute to core costs, and £45,000 over three years from the Polden Puckham Charitable Foundation to support our advocacy work, both in place from January 2021.

The success of our fundraising allowed us to increase the hours of our Advocacy Officer to 0.7 FTE, the Administrator to 0.4 FTE and the Development Manager was appointed as Chief Officer 0.8 FTE. The Programme Manager contract ended in January, and following evaluation of the pilot advice service, this post was replaced by an in-house Solicitor who will start in May 2021.

We also successfully appointed a new Treasurer (Julie Christie) who will take over from Deborah Long at the start of April and oversee the transfer of liabilities from LINK to ERCS.

#### **Public education to increase awareness of legal rights and remedies in environmental matters**

Limited by COVID-19, our initial focus was to produce three information sheets on environmental law and rights which would be useful for people with a basic knowledge and wanting more detail: Environmental information, and how to obtain it; Access to environmental information: the importance of the European framework; Access to justice on the environment, and whether Scotland is providing it.

ERCS also participated in several webinars, including facilitating a workshop on Children's Rights to a Healthy Environment as part of the State of Children's Rights Webinars in July 2020 hosted by Together – Scottish Alliance for Children's Rights. This was the start of a now strong partnership between the two organisations.

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

#### Achievements and performance (continued)

##### **Advice, assistance and representation to improve public participation in environmental decision-making**

ERCS seeks to increase awareness of and confidence in exercising our existing environmental rights. The barriers to accessing low-cost advice on environmental law are well documented by Scottish Environment LINK, as is the desperation of concerned citizens by grassroots community networks such as Planning Democracy. In this first year we were able to pilot a free advice service which ended in December 2020.

During the pilot, ERCS delivered telephone assessments and written advice to 4 environmental non-governmental organisations (eNGOs) and activist groups to support their campaigns work; and 11 individuals, community and/or conservation organisations on specific complaints. The range and depth of enquiries, and ERCS's outputs and outcomes for enquirers, underscore the need and potential for this service as well as the challenges of securing positive outcomes.

All the advice given was well received and cases were closed with sentiments of thanks and appreciation. Enquirers commented on the level of information and usefulness, often indicating a sense of relief at receiving timely advice but nevertheless an ongoing fatigue from having to challenge poor environmental decisions. Importantly, the pilot identified that ERCS required a dedicated legal expert to lead on the advice service and pursue public interest litigation with a friendly law firm when necessary.

Given the pilot had limited publicity, it cannot be seen as an accurate reflection of demand, as this will undoubtedly increase as ERCS expands its work and communications in 2021. Following an options appraisal on the future advice model, an open recruitment for an in-house Solicitor was initiated in February 2021. Ben Christman, former trustee and author of ERCS Feasibility Study was appointed and will begin at the end of May to provide a comprehensive free legal advice service.

##### **Advocacy in policy and law reform to improve environmental law and access to justice on the environment**

The desired outcome of our advocacy in policy and law reform is to secure concrete progress on environmental rights in Scotland and to reduce barriers to access to justice on the environment. Brexit exacerbates the environmental governance gap with the loss of oversight of the European Commission and the European Court of Justice to hold government to account. Alongside the impacts of Covid-19, this risks further lowering of environmental standards.

Our advocacy work focused on two key objectives to advance substantive and procedural environmental rights.

- i. *The human right to a healthy environment to be incorporated into Scots law during the next Parliament.*

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

#### Achievements and performance (continued)

ERCS was LINK's main representative in discussions with the National Taskforce for Human Rights Leadership on the key features to a human right to a healthy environment as part of a new human rights statutory framework. We also facilitated webinars within LINK to raise awareness of this right. We were therefore delighted (encouraged and relieved) to see the publication of the National Taskforce for Human Rights Leadership Report and Recommendation 2: 'Include the right to a healthy environment with substantive and procedural elements in the statutory framework'. In the same week, Ruth Maguire MSP's motion on the human right to a healthy environment was debated in Parliament on 17 March with strong support to carry forward the Taskforce's recommendations. ERCS and LINK provided a joint briefing to all MSPs to inform the debate and the issues raised in the briefing were extensively addressed by those speaking in the debate.

- ii. *A specialist environmental court to develop expertise, reduce costs, increase the speed of dispute resolution and achieve better outcomes for the environment.*

In October 2020, ERCS submitted a comprehensive response to the Scottish Government's consultation on the future of the Scottish Land Court and the Lands Tribunal for Scotland. The consultation proposed the incorporation of the Lands Tribunal into an expanded Land Court. Our response outlined our push for the expanded court to take on additional environmental responsibilities.

A specialist environmental court would help Scotland become fully compliant with the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters. In October 2021, ERCS contributed to the final review of UK progress since 2017 by the Convention Compliance Committee, raising the persistent issue of the excessive cost of challenging environmental decisions in Scotland. We also provided comments to the UK Government's draft National Implementation Report for the same period.

#### Financial review

The financial results for the year are set out in the financial statements that follow. Trustees consider the financial position to be satisfactory. The charity closed the year with an operating surplus of £42,888.

As our first operating year we will build on this to generate modest operating surpluses in future years to build reserves.

The impact of COVID-19 and lockdown arrangements did not have a significant impact on our operational costs largely because we did not incur any office costs: two desk spaces are provided by RSPB Scotland at their Edinburgh office as an in-kind contribution.

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### TRUSTEES' REPORT

#### Financial review (continued)

##### Principal funding sources

Total income for this period 2020/21 was £101,400.

Grants and donations accounted for 100% of our income.

Joseph Rowntree Charitable Trust (core costs)	£30,000
Esmée Fairbairn Foundation (core costs)	£40,000
Polden Puckham Charitable Foundation (advocacy)	£15,000
Friends of the Earth Scotland (advocacy)	£ 5,000
Individual donations (core costs)	£11,400

##### Reserves policy

The trustees operate a policy of not committing the charity to any expenditure unless this is matched by either confirmed income received or receivable. ERCS needs financial reserves because it is dependent for most of its income on grants e.g. from charitable trusts. Some grants may be delayed. Others may be received in arrears. Reserves are therefore required to bridge funding gaps between project expenditure and receipt of payments.

As a new organisation, the trustees consider it prudent that unrestricted reserves should be developed and maintained at a level that is sufficient to cover at least one month salary costs, which is currently £8,000. Trustees will seek to create modest operating surpluses, as appropriate, to develop and then maintain reserves in line with this policy. However, it is noted that any current risk is mitigated with secured core funding for three years, allowing for winding down costs and then a return to the grant provider of any surplus as a last resort.

##### Risk management

The Board has a risk management strategy which comprises:

- an annual review of the risks the charity may face, undertaken in accordance with SORP Accounting and Reporting for Charities;
- the establishment of systems and procedures to mitigate those risks identified;
- the implementation of procedures designed to minimise any potential impact on the charity should these risks materialise.

As a new organisation, adapting to COVID-19 lockdown restrictions and establishing a new team via zoom has had its challenges. Notwithstanding, we have created a strong team morale with a common purpose.

An ongoing priority for this year was securing adequate income levels to deliver our work programmes. Part of the reason for establishing ERCS was in recognition that low-cost specialist and experienced environmental lawyers were scarce, and therefore a critical risk was not being able to recruit an in-house solicitor. Notwithstanding, the Board believed it was important to test the market and put in place the correct service model for providing appropriate legal advice, and progress to becoming a registered law firm if demand requires. This risk is now resolved with a successful recruitment outcome.

## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **TRUSTEES' REPORT**

#### **Financial review**

COVID-19 has the potential to magnify and exacerbate the other critical risks identified, specifically reduced levels of income, loss of expertise and knowledge through departure of key staff. Trustees recognise that the financial operating environment remains challenging, with many charitable trusts understandably shifting their funding priorities to address the economic, social and health impacts of the pandemic. Arrangements are in place for robust and frequent monitoring and review of finances and operations. Proactive monitoring and readiness to take action, coupled with thorough environmental scanning, are key elements of our risk management strategy.

#### **Looking ahead to 2021/22 and beyond**

2021/22 is set to be an exciting second year for ERCS. We are ready to launch our membership recruitment to as wide an audience as we can reach – free to any person over the age of 16 who supports our mission and look forward to our first AGM in September.

In June, we host our official online launch with special guest the UN Special Rapporteur on Human Rights and the Environment, and we become fully independent from LINK with ERCS staff transferred under TUPE. June also sees our advice service up and running and we will be reaching out to community networks and rights organisations to raise awareness of the range and depth of our services. Our long-term goal is a shift in culture: with improved participation in decision-making, enforcement of environmental laws and better outcomes and justice for people and the environment.

Following the Scottish Parliamentary election in May, our advocacy work will seek to establish key relationships with Scottish Government and civil society partners to make an inroad into reducing barriers to accessing justice on the environment. We will proactively work to shape how the human right to a healthy environment in a Human Rights (Scotland) Act is established by negotiating with duty-bearers and empowering rights-holders. We will also detail the key features required for a specialist environmental court and call for further reforms (such as legal aid) so that Scotland becomes fully compliant with the Aarhus Convention. This will go some way to reduce the current barriers to public interest litigation.

We also welcome the establishment of Environmental Standards Scotland, the new independent body to ensure Scotland has high environmental standards and strong systems which maintain them and prevent enforcement gaps arising from Brexit. With introductions already having taken place, we hope to become a key referral source to test their powers both of monitoring the effectiveness of environmental law and of public authorities' compliance with it.

The unequal impacts of COVID-19 have demonstrated how human rights and environmental protection are inextricably linked. It has put pre-existing aspects of environmental rights in the spotlight: from global biodiversity loss to the importance of local access to healthier, greener and wilder greenspace. In whatever shape the 'new normal' takes, the need for an Environmental Rights Centre for Scotland is now more important than ever.

## **ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **TRUSTEES' REPORT**

#### **Trustees' responsibilities statement**

The trustees 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).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that period. 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 21 September 2021 and signed on its behalf by



**Lloyd Austin**  
Chair

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

### **Opinion**

We have audited the financial statements of Environmental Rights Centre for Scotland (the charity') for the period ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND (continued)**

### **Other information**

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND (continued)**

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures to respond to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we consider the following:

- the nature of the industry, control environment and business performance of the charity
- the results of our enquires with management and trustees about their own identification and assessment of the risks of irregularities
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we consider the opportunities and incentives that may exist within the charity for fraud. In common with all audits under ISAs (UK), we perform specific procedures to respond to the risk of management override and inappropriate income recognition.

We also obtain an understanding of the legal and regulatory environment in which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements and those which may be fundamental to the charity's ability to operate. The key laws and regulations we considered in this context included the Statement of Recommended Practice: Accounting for Charities FRS 102 (2019), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND (continued)

### Auditor's responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Marshall (Senior Statutory Auditor)  
For and on behalf of Geoghegans  
Chartered Accountants and Statutory Auditor  
6 St Colme Street  
Edinburgh, EH3 6AD

21 September 2021

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

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD ENDED 31 MARCH 2021**

	Notes	Notes	Unrestricted Funds £
<b>Income from:</b>			
Donations and legacies		2	11,400
Charitable activities		3	<u>90,000</u>
<b>Total income</b>			<u>101,400</u>
<b>Expenditure on:</b>			
Charitable activities		4	<u>58,512</u>
<b>Total expenditure</b>			<u>58,512</u>
<b>Net income and net movement in funds</b>			42,888
<b>Reconciliation of funds:</b>			
Funds brought forward			<u>-</u>
Funds carried forward		9	<u><u>42,888</u></u>

All income and expenditure is derived from continuing operations.

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**BALANCE SHEET  
AS AT 31 MARCH 2021**

	Notes	2021 £
<b>Fixed assets</b>		
Tangible fixed assets	6	<u>1,215</u>
<b>Current assets</b>		
Debtors	7	45,273
Cash at bank and in hand		<u>-</u>
		45,273
<b>Creditors: amounts falling due within one year</b>	8	<u>3,600</u>
<b>Net current assets</b>		<u>41,674</u>
<b>Net assets</b>	9	<u>42,888</u>
<b>Funds</b>		
Unrestricted funds		<u>42,888</u>
	9	<u>42,888</u>

The financial statements were approved and authorised for issue by the Trustees on 21 September 2021 and signed on their behalf by:



**Lloyd Austin**  
Chair

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**STATEMENT OF CASHFLOWS  
FOR THE PERIOD ENDED 31 MARCH 2021**

	Note	2021 £
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities	11	<u>1,822</u>
<b>Cash flows from investing activities</b>		
Investment income		-
Purchase of fixed assets		<u>(1,822)</u>
<b>Net cash (used in) investing activities</b>		<u>(1,822)</u>
<b>Change in cash and cash equivalents in the period</b>	12	-
Cash and cash equivalents at the beginning of the period	12	<u>-</u>
<b>Cash and cash equivalents at the end of the period</b>	12	<u>-</u>

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDED 31 MARCH 2021

#### **1 Accounting policies**

The significant accounting policies applied in the preparation of these financial statements are set out below.

##### **(a) Basis of accounting**

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Environmental Rights Centre for Scotland meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulation 2006 (as amended) and UK Generally Accepted Accounting Practice.

##### **(b) Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the impact of the COVID-19 pandemic on the financial position and future performance of the charity. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

##### **(c) Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

Income from charitable activities includes grant income which is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be measured reliably.

## ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (continued) PERIOD ENDED 31 MARCH 2021

#### 1 Accounting policies (continued)

##### (d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its grant making activities. It includes both costs which can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are allocated between governance costs and other support costs. Governance costs include these costs associated with meeting the constitutional and statutory requirements of the charity and include the statutory audit fees and costs linked to strategic management of the charity. Other support costs relate to the administrative costs of running the charity.

##### (e) Tangible fixed assets

Tangible fixed assets costing more than £250 are capitalised at cost and depreciated over their useful economic lives at the following rates:

Computer equipment	- 33% straight line
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##### (f) Debtors

Debtors are measured at their recoverable amount and included when reasonable certainty exists over their receipt. Prepayments are valued at the amount prepaid.

##### (g) Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid short-term investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### (h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount due.

##### (i) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measure at that settlement value.

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**PERIOD ENDED 31 MARCH 2021**

**(j) Fund accounting**

Unrestricted funds are those funds that can be used in accordance with the objectives of the charity at the discretion of Trustees.

Restricted funds are funds subject to specific conditions imposed by the donors.

<b>2 Donations and legacies</b>	Unrestricted 2021 £
Donations	<u>11,400</u>
<b>3 Income from charitable activities</b>	Unrestricted 2021 £
Joseph Rowntree Charitable Trust	30,000
Esmee Fairbairn Foundation	40,000
Polden Puckham Foundation	15,000
Friends of the Earth Scotland	<u>5,000</u>
	<u>90,000</u>
<b>4 Charitable expenditure</b>	Unrestricted 2021 £
Wages and salaries (note 5)	49,216
Travel & subsistence	160
Website maintenance	2,314
Office & IT	295
Advertising	1,950
Depreciation	607
Insurance	370
Governance – audit fee	<u>3,600</u>
	<u>58,512</u>



**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
PERIOD ENDED 31 MARCH 2021**

<b>5 Staff costs and numbers</b>	Total 2021 £
Gross wages	43,494
Employers' national insurance	3,167
Pensions	<u>2,555</u>
	<u>49,216</u>
	2021 No.
Average employee numbers	<u>3</u>

No employee received emoluments greater than £60,000 in the period.

The total amount of employee benefits received by key management personnel is £35,628. The key management personnel are considered to be the trustees, chief officer and programme manager.

During the period a total of £nil was paid to trustees in respect of reimbursement of travel, subsistence and other business related expenses. No trustee received any remuneration during the period.

<b>6 Tangible fixed assets</b>	Computer Equipment £
<b>Cost</b>	
At 3 July 2020	-
Additions	<u>1,822</u>
At 31 March 2021	<u>1,822</u>
<b>Depreciation</b>	
At 3 July 2020	-
Depreciation charge	<u>607</u>
At 31 March 2021	<u>607</u>
<b>Net book value</b>	
At 31 March 2021	<u>1,215</u>
At 3 July 2020	<u>-</u>

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
PERIOD ENDED 31 MARCH 2021**

<b>7</b>	<b>Debtors</b>					2021 £
	Amounts due from parent charity					35,059
	Prepayments					214
	Grants receivable					<u>10,000</u>
						<u>45,273</u>
<b>8</b>	<b>Creditors</b>					2021 £
	Accruals					<u>3,600</u>
						<u>3,600</u>
<b>9</b>	<b>Movement in funds</b>					
		At 3 July	Income	Expenditure	Transfers	At 31 March
		£	£	£	£	£
	<b>2020/21</b>					
	Unrestricted	<u>-</u>	<u>101,400</u>	<u>(58,512)</u>	<u>-</u>	<u>42,888</u>
<b>10</b>	<b>Analysis of net assets between funds</b>					Unrestricted £
	Fixed assets					1,215
	Net current assets					<u>41,673</u>
						<u>42,888</u>

**ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
PERIOD ENDED 31 MARCH 2021**

**11 Reconciliation of net movements in funds to cashflows from operating activities**

	2021 £
Net income	42,888
Depreciation	607
(Increase) in debtors	(45,273)
Increase in creditors	<u>3,600</u>
	<u>1,822</u>

**12 Analysis of net funds**

	At 3 July 2020 £	Cashflow £	At 31 March 2021 £
Cash at bank and in hand	-	-	-
Borrowings	<u>-</u>	<u>-</u>	<u>-</u>
Net funds	<u>-</u>	<u>-</u>	<u>-</u>

**13 Related party transactions**

During the period, the charity's finances were managed through the parent charity, Scottish Environment LINK. All income and expenditure was transacted through the parent charity bank account. Amounts due from the parent charity at 31 March 2021 and included in debtors was £35,059.