

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

REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2022

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)

Deborah Long (Vice Chair)

Julie Christie (Treasurer)

(appointed 5 April 2021)

Ben Christman

(retired 16 May 2021)

Mary Church

Jackie Erdman

Campbell Gemmell

Juliet Harris

Aedán Smith

Clare Symonds

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, to present this second annual report from the Trustees.

This report demonstrates that ERCS has successfully built on the foundations laid in its first full year, including our formal launch event. In addition to the organisational development, good progress has been made in three of our four substantive programmes of work. The fourth programme (strategic litigation) was always likely to be the latest to launch, and is dependent on both access to justice issues and funding; nevertheless, some initial preparatory analysis is underway.

The delivery and successes in the three programmes described would not have been possible without two key factors: our staff team and our funders. Our Chief Officer, Shivali Fifield, and her team have been crucial to the outcomes. Their work, however, would not be possible without funding – and we sincerely thank all the funders set out in the report.

I would also like to thank the full team of Trustees, whose experience and expertise has enabled us to provide the vision, leadership and oversight. Given the vital importance of healthy, and properly accounted for finances to a growing and successful organisation, I would especially like to acknowledge the specialist work of our Treasurer, Julie Christie. As the organisation develops and grows, we hope to welcome new Trustees to our Board.

Looking forward, as we report a successful year, we are also planning for the future. We are developing a three-year strategic plan, consolidating our fundraising strategy, and extending our advocacy. The latter, we hope will include an ambitious Human Rights Act for Scotland, passed in the next two years. We also continue to welcome new members and associates to support our work; thank-you for your support and please spread the word and encourage others to join.

I hope this report makes interesting reading and I look forward to another busy and 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 year ended 31 March 2022, 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 environment community, with over 40 member bodies representing a broad spectrum of environmental 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 remained ERCS's parent charity until 30 June 2021. A Service Level Agreement between LINK and ERCS set out the terms of services and resources that LINK provided free of charge covering:

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

The full transfer of financial and employer liabilities to ERCS came into effect as of 1 July 2021.

Governance

ERCS has a two-tier Constitution with free membership. Membership recruitment was launched in April 2021 to any person aged 16 or over who agrees with our vision and charitable purposes. At 31 March 2022, ERCS had 80 members. We ask all applicants to briefly tell us why they would like to become a member. The reasons given are diverse and include 'wanting to support grassroots organisations', 'seeking better and more effective laws' and 'securing environmental justice'. We are hugely grateful for the support of our members, describing their passion and commitment and urging us to 'become a success on behalf of communities and the environment across Scotland'.

We also have members who are Associates, asked to offer their expertise to inform the development of ERCS's work programmes and augment the skills base and reach of our trustees. Thanks to Sir Crispin Agnew QC (non practising), Mark Lazarowicz, Alison McNab, Professor Colin Reid and Jamie Whittle in supporting the development of our Advice Service in its first year and acting as the 'critical friend'; and to Susie Fitton in exploring the intersection of environmental and disabled people's rights and promoting disability inclusion.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Structure, governance and management (continued)

Recruitment and appointment of ERCS trustees

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.

The details of trustees are set out on page 1. At 31 March 2022, ERCS had 9 trustees who are not remunerated.

All trustees were elected in ERCS's first accounting year (3 July 2020 – 31 March 2021) except for Julie Christie who was elected as Treasurer on 5 April 2021. Ben Christman retired 16 May 2021 to take up the position of ERCS in-house Solicitor.

ERCS's initial trustees were appointed from LINK's Legal Strategy Subgroup providing strategic continuity and the 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, an open recruitment process was instigated to attract trustees from disciplines outside the environment sector. Juliet Harris and Jackie Erdman were duly appointed trustees in December 2020 bringing their expertise and experience of advancing children's rights and addressing health and systemic inequalities. With an extensive portfolio of fundraising success and treasurer knowledge, Julie Christie was appointed ERCS Treasurer in April 2021, taking over from Deborah Long and overseeing the transfer of liabilities from LINK to ERCS.

On 21 September 2021, ERCS held its virtual first AGM with 9 trustees and 14 ordinary members in attendance. As this was ERCS's first AGM, the Board were not seeking any new nominations for trustees, noting that trustees will be elected from the membership at future AGMs.

As the first appointed, Mary Church, Clare Symonds and Lloyd Austin retired as trustees and confirmed they would like to stand for re-election and were duly re-elected. Deborah Long and Aedán Smith were confirmed as the two LINK nominations.

Following the AGM, Lloyd Austin was re-elected as Chair, Julie Christie as Treasurer and Deborah Long to the new office of Vice-Chair.

Induction and training of trustees

A trustees' induction pack was provided to all trustees which includes the Constitution, Business Plan, Board Membership Protocol and Trustees' Roles and Responsibilities. Guidance and Good Practice for Charity Trustees and SCVO updates were 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.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Structure, governance and management (continued)

Management

There were five Board meetings during this period to maintain oversight of 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. Fortnightly calls are held between the Chief Officer and the Vice-chair (Deborah Long) who is also the Chief Officer of LINK, providing line management and continuity with LINK. The ERCS Chief Officer also meets regularly with the Chair.

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 staff team.

ERCS staff at 31 March 2022

Shivali Fifiield	Chief Officer (1 full time equivalent - FTE)
Ben Christman	In-house Solicitor (0.7 FTE)
Cornell Hanxomphou	Rights Officer (1 FTE)
Emma Donaldson	Finance & Administration Officer (0.6 FTE)
Emma Donaldson	Assistant Legal Officer (0.1 FTE)
Vacancy	Policy & Advocacy Officer (0.8 FTE to start in June 2022)
Emilia Hanna	Advocacy Officer (0.7 FTE until February 2022)

Charitable purposes and mission

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 to assess the need and demand for an Environmental Rights Centre, and secured £120,000 over three years (October 2019 – 22) from the Joseph Rowntree Charitable Trust to establish ERCS.

Two years on, we are a fully independent charity with an income of approximately £208,000 during this accounting period.

Vision

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

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Charitable objectives and mission (continued)

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 us to be that voice.

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

- substantive - by using the law to improve environmental protection and restoration and securing the highest standards for a clean, healthy and sustainable environment for everyone
- procedural - by working for equitable participation in decision-making and for fair, timely and affordable access to legal remedies.

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.

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***
- ***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 values and principles are:

- 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
- transparent in how we evaluate our impacts and improve our effectiveness.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Achievements and performance

Business and organisational development

In our first year, ERCS was able to lay the foundations for a resilient organisation and begin to deliver on its charitable purposes. Now, finishing our second year, we are thankful to report on our continuing development.

We started April 2021 in our second year of funding from the Joseph Rowntree Charitable Trust and an additional £120,000 over three years from the Esmée Fairbairn Foundation to contribute to core costs, together with £45,000 over three years from the Polden Puckham Charitable Foundation to support our advocacy work. With this we were able to offer our Administrator a promotion to the post of Finance & Administration Officer (0.6 FTE) and welcomed our in-house Solicitor (0.6 FTE) to the team in May.

On 3 June, we hosted our official online launch with special guest Professor David Boyd, the UN Special Rapporteur on human rights and the environment, and over 150 people joining us on the day. We also saw our free advice service up and running and became fully independent from LINK with ERCS staff transferred under TUPE.

In September, we were delighted to be one of 48 organisations awarded a grant from the new Equality and Human Rights Fund for £157,580 over the next three years to increase awareness and participation of equality groups on the human right to a healthy environment. With this welcomed endorsement of our work, we updated our Business Plan and three-year financial forecast in September.

This was followed in December by a grant from the Baring Foundation of £65,336 over three years. These awards enabled us to appoint a full-time Rights Officer in January to lead our rights awareness and outreach work to marginalised people and places so that more of us can exercise our environmental rights. We were also able to increase the hours of our in-house Solicitor to 0.7 FTE and employ an Assistant Legal Officer (0.1 FTE).

In addition, we took our first post-graduate student work placement and have agreed to partner with the University of Edinburgh to take future placements from their LLM in Human Rights. We have also made good contacts in the Law Schools at Dundee, Strathclyde and Glasgow Universities, Glasgow Urban Studies and Queen Margaret University Public Sociology departments.

Our Advocacy Officer left ERCS in February and we used this to review the post and have recruited a Policy & Advocacy Officer (0.8 FTE) who will start in June.

Our current Business Plan takes us to December 2022. A full review of services will be undertaken in the autumn of 2022 to inform any revisions needed to our theory of change and new three-year strategic plan.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Achievements and performance (continued)

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

During this reporting period, our website received 9,995 visits - steadily increasing with peaks when we published new content. The number of unique downloads from our website was 943.

By 31 March 2022, we had over 350 online subscribers to our mailing list and 550 followers on Twitter demonstrating our widening reach and interest in our work.

We have continued to build our online resources on environmental law and rights which are useful for people with a basic knowledge and can be accessed from [Our rights & resources](#) page. Our [Guide to the right to protest](#) was particularly well received and will be used as the basis for materials designed by Amnesty Scotland and JRS Knowhow for their 'right to protest' project.

With the publication of [the National Taskforce for Human Rights Leadership Report](#) in March last year, and their recommendation 2: 'include the right to a healthy environment with substantive and procedural elements in the statutory framework', our public awareness work centred on explaining what the human right to a healthy environment entails including a [short video](#). During June and September we worked with colleagues across civil society to illustrate how a healthy environment is fundamental to the enjoyment of other human rights. This included webinars at the [ALLIANCE's](#) Annual Conference, 'A Scottish Human Rights Bill: Putting rights into law and action', and with [Inclusion Scotland](#) for the [Human Rights Consortium Scotland's](#) 'Incorporation Fortnight': [All our rights are linked: environmental rights and disabled people's rights](#). We also published three briefings commissioned by the Consortium on how this right advances the [rights of disabled people](#) (co-written with Inclusion Scotland); [right to health](#); and the [right to food](#).

We were understandably delighted with the consequent commitment from the Scottish Government in their [Programme for Government](#) to incorporate the right to a healthy environment in the Human Rights (Scotland) Bill.

We were also invited to facilitate two workshops at the National Youth Work conference in October: ['Our climate emergency – youth work's role for people and planet'](#). Our workshops, called [Connecting the dots: tackling social, environmental and climate justice issues here and now](#), received excellent feedback and was attended by a wide range of youthwork professionals. This was followed by participating in Climate 2050's Young Leaders Development Programme.

Since January, our Rights Officer (Cornell Hanxomphou) has led this work programme which we have renamed 'rights awareness and outreach', along with our [rights flyer](#) and new [our rights and resources](#) webpage. His aim, as he describes in the [Common Weal Policy podcast](#), is to reach out to organisations who are led by and represent equality groups and/or communities in areas of high disadvantage and help build people's capacity to exercise their environmental rights.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Achievements and performance (continued)

As part of the Equality and Human Rights Fund portfolio of 48 organisations, we presented a webinar on Environmental Human Rights, what they are and why they matter to explore the intersection between environmental human rights and the social justice issues most pressing for the equality groups represented in the portfolio. This, in turn, has led to several discussions with individual organisations to do more targeted work over the summer, including with Poverty Alliance, BEMIS, Ethnic Minority Environmental Network and Friends of Romano Lav.

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

Part of the reason for creating ERCS was in recognition that low-cost specialist and experienced environmental justice lawyers were scarce. Following the evaluation of our pilot advice work (February – December 2020), the decision was taken to test the market and recruit an in-house Solicitor to provide a comprehensive free legal advice. With a successful appointment (Ben Christman), the service was launched on 1 June 21.

The aim of the Advice Service is to enable people to exercise their environmental rights and hold public bodies to account on the environment. From June to 31 March 22, we received over 70 referrals from individuals, community groups and NGOs covering a range of environmental problems. Given that the pilot worked with a total of 4 environmental NGOs and 11 individuals/groups, we were delighted at the take up of the service in the first nine months and the endorsement it gives to why we were established.

Cases included loss of greenspace because of new planning proposals, land access rights, sewage sludge, river/water pollution, loss of local biodiversity, nature and marine conservation law, badger protection, increased air pollution because of new road building, non-compliance with the Aarhus Convention, and general rights to challenge decision-making relating to the environment. Enquiries came from across Scotland and were distributed evenly across the most deprived and least deprived areas as ranked by the Scottish Index of Multiple Deprivation.

The qualitative feedback we have received from clients demonstrate increased awareness of and confidence in exercising environmental rights: most notably in challenging local authority planning decisions; and having the legal information to hold public authorities to account on sewage sludge and river pollution. 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.

Through our advice service, ERCS aims to improve the ability of individuals and organisations, with good grounds for challenging environmental decisions, to take their cases to court as a last resort. As a charity, ERCS does not have rights of audience in the Court of Session where most judicial review proceedings or statutory planning appeals are heard. Our in-house Solicitor also works part-time with Legal Services Agency law centre, specialising in preventing homelessness and social welfare and, as an innovative way of building capacity in environmental law, we agreed a memorandum of understanding with them to refer clients eligible for legal aid.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Achievements and performance (continued)

The memorandum provides continuity of legal support with our in-house Solicitor and offers a testing ground and evidence base for reform of legal aid for environmental law. Following initial advice and assistance from ERCS, six cases were referred for legal representation including three eligible for legal aid.

Despite not yet being able to provide legal representation, we were delighted at the invitation to join the Scottish Association of Law Centres in August. An audit of the first six months of the Advice Service informed a review of our service standards and monitoring and evaluation framework. Consequent audits and our work with Legal Services Agency will provide further data to identify the most appropriate model for ERCS to operate as a law centre.

Last year, ERCS welcomed the establishment of Environmental Standards Scotland, the new independent body to ensure Scotland has high environmental standards, strong systems which maintain them and prevent enforcement gaps arising from Brexit. Good liaison has been established and we continue to scope potential representations to test their powers both of monitoring the effectiveness of environmental law and improving public authorities' compliance with it.

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.

As well as regular [press releases](#) and [blogs](#), we produced [briefings and reports to further our advocacy objectives](#). Our work has been welcomed by civil society stakeholders from across the environmental, legal and rights organisations, as well as Members of the Scottish Parliament (MSPs) and civil servants from the Human Rights Bill, Civil Courts and Tribunals, and Environmental Strategy and Governance teams.

The aims of our advocacy work are detailed in our [Advocacy Manifesto](#), launched in [December 2021](#) along with our [online petition for an enforceable human right to a healthy environment](#). At the time of writing, the petition had over 1000 individual signatories and 51 organisations in support.

In summary there were three objectives we focused on to advance substantive and procedural environmental rights:

- i. **Shape how the human right to a healthy environment is incorporated in the Human Rights (Scotland) Bill.***

Our advocacy to incorporate the substantive and procedural elements of a human right in the new statutory framework was acknowledged in September 2021 by the invitation to join the Scottish Government's Human Rights Bill Advisory Board. We are one of 20 members from civil society and the only representative from the environmental sector. Drawing on the [Taskforce's recommendations](#) we have worked proactively with the Human Rights Bill team to inform the pre-legislative consultation on the Bill due this year.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Achievements and performance (continued)

We also nominated Ann Coleman, a veteran environmental justice campaigner to the Human Rights Bill Lived Experience Board.

ii. *Hold the Scottish Government to account on its non-compliance with the Aarhus Convention Article 9 Access to Justice requirements.*

Our advocacy to reform legal expenses so that it is affordable for everyone to uphold environmental laws has made steady progress. In October, the Aarhus Convention's governing institutions made their ten consecutive finding that the Scottish civil justice system does not meet the Convention's Article 9(4) 'not prohibitively expensive' requirement. They have now asked for a UK Action Plan by 1 July 2022 and a deadline of 1 October 2024 to fully meet the recommendations in the Aarhus Convention's Meeting of the Parties MoP-7 Decision VII/8S, '*to ensure that the allocation of costs in all court procedures subject to Article 9, including private nuisance claims, is fair and equitable and not prohibitively expensive*'.

For the first time, the Scottish Government has acknowledged its non-compliance. This provides significant leverage to pursue the legal reforms necessary and we have established constructive relations with the Scottish Government's Civil Courts and Tribunals team. An example of this is in the Government's consultation on the review of court fees, in which one question specifically asked whether Aarhus Cases should be exempt from court fees. Arguably, this demonstrates the impact of our advocacy on holding the Government to account and we were able to coordinate support from the Human Rights Consortium Scotland and the Scottish Association of Law Centres, as well as advocating for making an exemption for all public interest cases.

iii. *Secure commitment to a specialist environmental court which is affordable and accessible for everyone, fair, timely and effective.*

Following the decision last year to incorporate the Lands Tribunal into an expanded Land Court, we continue to wait to hear what the new 'expanded Scottish Land Court' will look like. We published our report in October on why Scotland needs an environmental court or tribunal. This details how a specialist environmental court or tribunal would help Scotland become fully compliant with the Aarhus Convention access to justice requirements by developing expertise, reducing costs and increasing the speed of dispute resolution. We will use our report as the basis for contributing to the consultation on an environmental court which the Government is committed to undertaking by Spring 2023.

Strategic public interest litigation to enforce progress on key environmental issues

Overall, there remain significant barriers to public interest litigation in Scotland as outlined in our Manifesto, and this has tempered our strategic litigation programme. Although we have scoped options with several organisations, this programme is in its infancy and will be influenced by our advocacy success in reducing barriers to accessing justice.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

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 net income of £89,917 (2021: £42,888). This includes a donation of assets from LINK, which was the operating surplus from ERCS's first period of operating before becoming a charity.

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.

Principal funding sources

Total income for this period 2021/22 was £208,001.

Grants and donations accounted for the majority of our income (£202,832), with the remaining coming from commissioned work (£5,150) and bank interest (£19):

Joseph Rowntree Charitable Trust (core costs)	£40,000
Esmée Fairbairn Foundation (core costs)	£40,000
Polden Puckham Charitable Foundation (advocacy)	£15,000
Equality and Human Rights Fund (equalities work)	£25,977
Baring Foundation (legal hub)	£22,000
Donation of assets from LINK from 2019-2020 (core costs)	£39,755
Individual donations (core costs)	£20,100
Commissioned work	£ 5,150
Bank interest	£ 19

Reserves policy

The trustees operate a policy of not committing the charity to any planned 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 short-term funding gaps between project expenditure and receipt of payments.

As a new organisation in 2020/21, the trustees considered it prudent that unrestricted reserves should be developed and maintained at a level that was sufficient to cover at least one month salary costs. Notwithstanding, the trustees acknowledged that they would seek to create modest operating surpluses, as appropriate, to develop and then maintain reserves in line with three months' salary costs in future years. This reserves policy is in keeping with custom and practice for a small charity and provides a contingency for any unplanned or emergency expenditure e.g. long-term sickness absence or business systems failure.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Financial review (continued)

Reserves policy (continued)

At 31 March 2022, the charity has total reserves of £132,805 (2021: £42,888), comprising unrestricted reserves of £124,874 (2021: £42,888) and restricted reserves of £7,931 (2021: £nil). The charity's free reserves, defined as those unrestricted reserves not tied up in fixed assets, are £122,614 (2021: £41,674). ERCS is therefore delighted to confirm that from our second operating year, we are in a position to implement a reserves policy of three months' salary costs for 2022/23 calculated at £44,872.

Risk management

The Board has a risk management strategy which comprises:

- a six-monthly 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.

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.

The critical risks identified are an inability to fund ERCS's core objectives and work programmes, and the loss of expertise and knowledge through departure of key staff. Although we have had good success in grant funding, 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, now exacerbated by the cost of living crisis.

As outlined in ERCS' Pay, Remuneration and Pension Policy, an annual review of pay is undertaken in autumn to be implemented in the next financial year. Any pay increase must be met from the existing budget and not compromise ERCS's financial stability. As well as increasing the salary of our Finance & Administration Officer, all staff were given a 3% cost of living salary increase from 1 April 2022 and the financial forecast includes an annual 4% cost of living increase from 2023/24. Depending on continued fundraising success, we hope to review the salary structure in the autumn so that they are competitive within the specialist environmental advocacy and legal sector and support staff retention.

Moderate risks include a significant complaint about our Advice Service and IT systems failure. To mitigate these risks, our terms of service and complaints policy have been reviewed and we have an IT support contract in place.

As a new organisation, adapting to Covid-19 lockdown restrictions and establishing a new and growing team via Zoom has had its challenges. Notwithstanding, we have created a strong team morale with a common purpose. From April 22, we will introduce hybrid working arrangements with free office space at the RSPB Scotland headquarters in Edinburgh.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

TRUSTEES' REPORT

Looking ahead to 2022/23 and beyond

2022/3 is set to be an exciting third year for ERCS. The Scottish landscape has changed with the new opportunities arising from the Human Rights Bill, the requirement of a UK Action Plan to address non-compliance with Article 9 of the Aarhus Convention, and the establishment of an expanded Scottish Land Court along with consultation on an environmental court or tribunal in 2023. It is anticipated that reforms to legal expenses and wider measures to reduce barriers to access to justice will be introduced in this parliamentary session, but the exact timeline and impact of measures is uncertain.

ERCS has demonstrated its unique contribution and potential, but there is still much to do to advance environmental justice in Scotland and tackle the triple planetary emergency of climate change, biodiversity loss and pollution.

We are steadily establishing our reputation for increasing people's knowledge and understanding of environmental law and their capacity to exercise their environmental rights. Cornell, our Rights Officer, outreaching to marginalised people and places, will work to raise awareness of how environmental decisions affect our health and wellbeing - connecting the dots between Scotland's social environmental and climate justice concerns.

Our Advice Service, led by Ben, will continue to grow as Scotland's only "citizens' advice bureau" for environmental rights. This will strengthen environmental citizenship and democracy. We hope to increase the hours of the Assistant Legal Officer post to support the service and undertake our first strategic litigation by autumn. Depending on the extent of reforms to strengthen access to justice and the anticipated demand on our services, we will undertake an options appraisal towards the end of 2023 to identify the most appropriate model for ERCS to operate as a law centre. Options include partnering with a law firm or registering as our own law practice unit with the Law Society of Scotland.

Our advocacy will not only shape the incorporation of the human right to a healthy environment, but we will also proactively contribute to the capacity-building programme for duty-bearers and rights-holders to enable the practical implementation of the Act. In the meantime, we will continue to exert pressure to reform legal expenses and detail the key features required for a specialist environmental court which is affordable, accessible, timely and effective for all.

The unequal impacts of Covid-19 have put pre-existing aspects of environmental rights in the spotlight: from the global nature crisis to the importance of local access to healthier, greener and wilder spaces. Now also faced with the cost of living crisis, our work to connect the dots is more important than ever to achieve better outcomes and justice for people and the environment. In whatever shape the new normal takes, ERCS will work with our supporters to create a Scotland where every person's right to live in a healthy environment is respected, protected and fulfilled.

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 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 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 28 September 2022 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 year ended 31 March 2022 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 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 year 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.


Geoghegan

Chartered Accountants and Statutory Auditor
6 St Colme Street
Edinburgh, EH3 6AD

28 September 2022

Geoghegan 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 YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted £	Restricted £	Total 12 months to 31 Mar 22 £	Total 10 months to 31 Mar 21 £
Income from:					
Donations and legacies	2	59,855	-	59,855	11,400
Charitable activities	3	117,000	25,977	142,977	90,000
Other trading income	4	5,150	-	5,150	-
Investment income		19	-	19	-
Total income		182,204	25,977	208,001	101,400
Expenditure on:					
Charitable activities	5	100,038	18,046	118,084	58,512
Total expenditure		100,038	18,046	118,084	58,512
Net income and net movement in funds		81,986	7,931	89,917	42,888
Reconciliation of funds:					
Funds brought forward		42,888	-	42,888	-
Funds carried forward	10	124,874	7,931	132,805	42,888

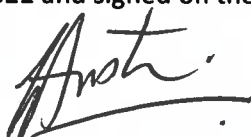
All income and expenditure is derived from continuing operations.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed assets	7	<u>2,260</u>	<u>1,215</u>
Current assets			
Debtors	8	10,214	45,273
Cash at bank and in hand		<u>126,719</u>	<u>-</u>
		136,933	45,273
Creditors: amounts falling due within one year	9	<u>6,388</u>	<u>3,600</u>
Net current assets		<u>130,545</u>	<u>41,673</u>
Net assets	11	<u>132,805</u>	<u>42,888</u>
Funds			
Unrestricted funds	10,11	124,874	42,888
Restricted funds	10,11	<u>7,931</u>	<u>-</u>
	10,11	<u>132,805</u>	<u>42,888</u>

The financial statements were approved and authorised for issue by the Trustees on 28 September 2022 and signed on their behalf by:



Lloyd Austin
Chair

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	12	<u>128,511</u>	<u>1,822</u>
Cash flows from investing activities			
Investment income		19	-
Purchase of fixed assets		<u>(1,811)</u>	<u>(1,822)</u>
Net cash (used in) investing activities		<u>(1,792)</u>	<u>(1,822)</u>
Change in cash and cash equivalents in the year	13	126,719	-
Cash and cash equivalents at the beginning of the year	13	<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year	13	<u><u>126,719</u></u>	<u><u>-</u></u>

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

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 year 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) YEAR ENDED 31 MARCH 2022

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) YEAR ENDED 31 MARCH 2022

(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.

2	Donations and legacies			Unrestricted	Unrestricted
				2022	2021
				£	£
	Donations			59,855	11,400
3	Income from charitable activities	Unrestricted	Restricted	Total	Total
		2022	2022	2022	2021
		£	£	£	£
	Joseph Rowntree Charitable Trust	40,000	-	40,000	30,000
	Esmee Fairbairn Foundation	40,000	-	40,000	40,000
	Equality and Human Rights Fund	-	25,977	25,977	-
	Baring Foundation	22,000	-	22,000	-
	Polden Puckham Foundation	15,000	-	15,000	15,000
	Friends of the Earth Scotland	-	-	-	5,000
		117,000	25,977	142,977	90,000

Income from charitable activities is £142,977 (2021: £90,000), comprising £117,000 (2021: £90,000) of unrestricted income and £25,977 (2021: £nil) of restricted income.

4	Other trading income	Unrestricted	Unrestricted
		2022	2021
		£	£
	Consultancy	5,150	-

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 MARCH 2022

5	Charitable expenditure	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
	Wages and salaries (note 6)	89,008	13,197	102,205	49,216
	Other staff costs	2,089	1,545	3,634	-
	Professional fees	750	250	1,000	-
	Subscriptions	1,088	-	1,088	-
	Repairs and maintenance	184	-	184	-
	Travel & subsistence	187	127	314	160
	Website maintenance	-	-	-	2,314
	Office & IT	1,191	1,807	2,998	295
	Advertising	144	720	864	1,950
	Depreciation	766	-	766	607
	Insurance	751	200	951	370
	Governance – audit fee	3,880	200	4,080	3,600
		<u>100,038</u>	<u>18,046</u>	<u>118,084</u>	<u>58,512</u>

Expenditure on charitable activities is £118,084 (2021: £58,512), comprising £100,038 (2021: £58,512) of unrestricted expenditure and £18,046 (2021: £nil) of restricted expenditure.

6	Staff costs and numbers	Total 2022 £	Total 2021 £
	Gross wages	88,482	43,494
	Employers' national insurance	7,175	3,167
	Pensions	<u>6,548</u>	<u>2,555</u>
		<u>102,205</u>	<u>49,216</u>
		2022 No.	2022 No.
	Average employee numbers	<u>4</u>	<u>3</u>

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

The total amount of employee benefits received by key management personnel is £37,006 (2021: £35,628). The key management personnel are considered to be the trustees and chief officer.

No trustee received any remuneration or reimbursement of expenses in the current or prior years.

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 MARCH 2022

7	Tangible fixed assets		Computer Equipment £
	Cost		
	At 1 April 2021		1,822
	Additions		<u>1,811</u>
	At 31 March 2022		<u>3,633</u>
	Depreciation		
	At 1 April 2021		607
	Depreciation charge		<u>766</u>
	At 31 March 2022		<u>1,373</u>
	Net book value		
	At 31 March 2022		<u>2,260</u>
	At 31 March 2021		<u>1,215</u>
8	Debtors	2022 £	2021 £
	Amounts due from parent charity	-	35,059
	Prepayments	214	214
	Grants receivable	<u>10,000</u>	<u>10,000</u>
		<u>10,214</u>	<u>45,273</u>
9	Creditors	2022 £	2021 £
	Trade creditors	1,400	-
	Accruals	4,080	3,600
	Other creditors	<u>908</u>	<u>-</u>
		<u>6,388</u>	<u>3,600</u>

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 MARCH 2022

10 Movement in funds

	At 1 April £	Income £	Expenditure £	Transfers £	At 31 March £
2021/22					
Unrestricted	42,888	182,024	(100,038)	-	124,874
Restricted	-	25,977	(18,046)	-	7,931
Total	42,888	208,001	(118,084)	-	132,805
2020/21					
Unrestricted	-	101,400	(58,512)	-	42,888

Restricted funds

The charity has one restricted fund in relation to funding from the Equality and Human Rights Fund for a three-year project to advance the human right to a healthy environment for equality groups through engagement, education and advice.

11 Analysis of net assets between funds	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £
Fixed assets	2,260	-	2,260	1,215
Net current assets	122,614	7,931	130,545	41,673
	124,874	7,931	132,805	42,888

12 Reconciliation of net movements in funds to cashflows from operating activities

	2022 £	2021 £
Net income	89,917	42,888
Depreciation	766	607
Decrease/(increase) in debtors	35,059	(45,273)
Increase in creditors	2,788	3,600
Investment income	(19)	-
	128,511	1,822

ENVIRONMENTAL RIGHTS CENTRE FOR SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 MARCH 2022

13	Analysis of net funds	At 1 April 2021 £	Cashflow £	At 31 March 2022 £
	Cash at bank and in hand	-	126,719	126,719
	Borrowings	-	-	-
	Net funds	-	126,719	126,719

14 Related party transactions

A donation of £39,755 was received in the year from Scottish Environment LINK, a charitable company which was the parent charity of Environmental Rights Centre for Scotland until July 2021.

In the prior year, 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.