

Registered Company Number: SC243492 (Scotland)
Registered Charity Number: SC031619

Inclusion Scotland

Report of the Trustees and Financial Statements

For the year ended 31 March 2022

Inclusion Scotland

Report of the Trustees and Financial Statements

For the year ended 31 March 2022

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Inclusion Scotland Report of the Trustees For the year ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019).

The charity has its registered Head Office at 22-24 Earl Grey Street, Edinburgh EH3 9BN. However, since the pandemic and the loss of our Inverness and Glasgow offices, most staff are working in a hybrid manner.

Inclusion Scotland is a national membership organisation, led by disabled people (a Disabled People's Organisation - DPO). Its extensive networks span the country. In furtherance of its charitable objects, its mission is to achieve positive changes to policy and practice, so that disabled people are fully included throughout all of Scottish society as equal citizens. We do this by seeking to influence decision-makers; supporting disabled people to be decision-makers themselves; and developing capacity, awareness and engagement. There are several key strands to the delivery of our Core Business, namely policy analysis, membership capacity building, engagement, and knowledge exchange work. We also run time-limited projects. Some of these received ongoing funding and have become an established part of our work, notably those concerning the delivery of internships for disabled people and support for their participation in politics/ public life, including to become elected politicians.

It is important to note that the funding year for our work is no longer aligned with the financial year. Our core funding runs from October to September, whereas the financial year runs from April to March. This means that underspends and overspends shown in these audited financial statements for the financial year 2021/22 cannot be taken to indicate that expenditure is off track.

Objects, outcomes and activities

Inclusion Scotland's objects as set out in the Articles of Association are:

- 4.1 To promote the benefit and relieve the needs of persons within Scotland who are disabled and in furtherance thereof the company shall seek:
- 4.2 To assist and support individuals, local, regional and national groups working on disability related issues.
- 4.3 To increase the understanding of the problems of disability and social exclusion through education and to encourage inclusion in its fullest sense between disabled and non-disabled members of the community.
- 4.4 To provide a means of consultation and joint action among voluntary and statutory organisations concerned with the social and economic inclusion of all disabled people.

Outcomes and activities

The organisation's outcomes for the year were themed with reference to the priorities of disabled people, as established via engagement events, and our funders, in particular our primary core fund, the Scottish Government's Equality and Human Rights Fund, as managed by our new fund manager, Inspiring Scotland. In each case, a series of activities was identified through which to deliver those outcomes, along with monitoring and evaluation methods that would enable us to measure progress. Our primary grant outcomes and activities, form an overarching framework, with separately funded projects enabling key areas of activity to be further developed.

Inclusion Scotland Report of the Trustees (continued) For the year ended 31 March 2022

Promoting disabled people's active participation

Policy at national and local level will be better informed by disabled people's views, as more disabled people are enabled to fulfil their human right to participation in political and public life, thereby strengthening democracy and promoting our civil and social inclusion.

- **Engagement opportunities:** We will take – and make - opportunities to bring disabled people and policy-makers together at national and local levels, and help ensure disabled people's views and interests are represented in policy debates. supporting and capacity-building DPOs and disabled people, and explore how to strengthen national/ local connections and our geographical reach.
- **Engagement structures:** We will make best use of existing engagement infrastructure and explore scope to expand and strengthen it.
- **Strengthening policy work:** We will strengthen our policy work through action to ensure it is strategic, integrated, evidence-based and solution-focused.
- **Ongoing input to policy:** We will take action to ensure that priority areas of policy development take disabled people's views and live experience into account.

Improved benefits and access to employment

Disabled people will be better supported to avoid poverty and to get in, get on and stay in employment.

- **Devolved social security system:** We will contribute disabled people's views and our policy expertise to the shaping and delivery of the new Scottish social security system as a key priority.
- **Reserved benefits:** We will continue to expose the impact of Westminster Government welfare cuts on disabled people and challenge them whenever we can. We will also identify and draw attention to issues arising from the interface between reserved and devolved benefits.
- **Poverty:** We will identify factors that account for disabled people's disproportionate likelihood to be living in poverty and promote action to address these.
- **Tackling the employment gap:** We will seize opportunities for action to remove barriers to disabled people's employment.

Services that support disabled people

Key services are designed and developed that support disabled people to have choice and control over their lives, where they live and the support they need to meet their full potential, as necessary to achieve independent living. Action on climate change, new approaches or services or changes to existing provision, are designed and delivered in ways that do not impact adversely on disabled people.

- **Drive forward action on accessible housing**
- **Investigate key current issues on education:** We will investigate reports on cuts to Additional Support for Learning (ASL) and issues around this and explore the case for mainstream vs segregated education.
- **Investigate specific impact on disabled people of climate change and mitigating action.**
- **Support others leading on accessible transport:** We will maintain a watching brief and support the work of leads where we can add value and as our resources permit.

Protecting and promoting disabled people's rights and access to justice

Disabled people's rights, including human rights, will be protected and promoted and access to justice remedies will be opened up so that they receive fair treatment at all times.

- **Human rights:** We will build on the UN Committee's examination of progress on UNCRPD, support the implementation of the Scottish Government's UNCRPD delivery plan, spread awareness of human rights, and embed them into policy and practice.
- **Brexit:** We will do what we can to ensure that disabled people and DPOs in Scotland are not adversely affected by the UK's withdrawal from the European Union and that any scope for improvements is identified and seized.
- **Negative attitudes and treatment:** We will challenge negative attitudes towards, and treatment of disabled people, asserting our rights and the value of what we and our own organisations can contribute.
- **Access to justice:** We will promote action to remove the barriers that impede or prevent disabled people's access to justice and explore ways to boost disabled people's confidence to seek redress.

Inclusion Scotland Report of the Trustees (continued) For the year ended 31 March 2022

Developing and strengthening our work and our organisation

- **Governance and management**
- **Review of constitution:** We will review our constitution, including to see if we can strengthen the involvement of/ accountability to our members and clarify issues relating to the Board.
- **Finance and administration:** We will ensure we have in place and implement the right policies and procedures to ensure we have the necessary capacity in place and enable effective, efficient delivery with robust controls.
- **Communications, information and stakeholder engagement**
- **Premises:** We will make best use of our new premises.

Achievement and performance

Charitable activities

The trustees consider that the overall performance of the organisation during the year has been satisfactory.

An overview of Inclusion Scotland's activities and achievements during this period, for each of the areas of work described above, both funded through our core main grant and the project funding itemized below, is contained in the Annual Report, to be published in October 2022.

Funding

Inclusion Scotland received the following funding.

Scottish Government Equality and Human Rights Fund

From 1 April 2021 to 20 September 2021, we were provided three grants from the Scottish Government Equality Unit.

- The core **'Intermediary' grant**.
- The **'Access to Elected Office Fund Scotland' grant** which aims to level the playing field for those disabled people seeking to become candidates at the 2021 Scottish Parliament elections, and by-elections, by meeting their extra impairment or disability-related costs.
- The **'Access to Politics, Public Life and Employment' programme grant**. This grant includes –
 - The **'Access to Politics'** programme which provides advice and support to disabled people wanting to participate in party politics and to political parties around improving access.
 - The **access to employment 'WeCanWork' Internships' scheme**, placing disabled people with third and public sector bodies throughout Scotland.
 - The **'Local Policy and Engagement'** programme, which supports local disabled people, Disabled People's Organisations and others to increase disabled people's participation in local decision-making, promotes the establishment of local DPOs, and extends Inclusion Scotland's reach.

From 1 October 2021 onwards, all three programme grants were combined into one grant for the year 2021-2024.

- Our funding year moved to 1 October to September and administered by our new fund manager, Inspiring Scotland.
- Resulting in a reduction of £43.8 thousand/year in the first year, and £68.8 thousand/year in the second and third year.

Scottish Government Social Care Directorate

From 1 April 2021 to 30 June 2021, we received two grants from the Scottish Government Social Care Directorate:

- The **People-led Policy Panel on Social Care Support**. This is a group of people who need social care support whom we support to co-produce policy on social care support with Scottish Government officials and others.
- We received supplementary core funding under the title **"Team Expansion"** towards posts that provide internal organisational support – specifically the Staff Support Officer and the Head of Business Development.

Inclusion Scotland Report of the Trustees (continued) For the year ended 31 March 2022

- From 1 July 2021 onwards, both programme grants were combined into one grant for the year.

- Resulting in an increase of £6.8 thousand/year.

Other funds

We receive funding from the Equality and Human Rights Council to produce a **Shadow Report for the United Nations so that the United Nations Committee for the Convention on the Rights of Disabled People**. This was funded for £22.4 thousand.

We receive funding from Skills Development Scotland's **Tourism Recovery Fund** to deliver training to Scotland's tourism, travel, and hospitality sector. This was funded for £35 thousand.

In addition, we generated a small amount of fee-based income through our employment-related work, primarily the private-sector focussed expansion of our internship programme and the delivery of training and consultancy.

We are very grateful to all our funders.

Funds ended in the last financial year.

- Scottish Government Workplace Equality Fund for 'Unlocking EmployerAbility' project of £42.8 thousand.
- Big Lottery and National Lottery Community Fund for 'Disability Research on Independent Living and Learning' (DRILL) and 'DRILL 4 Nations Research' programmes of £120.4 thousand.
- National Lottery Community Fund for Lived Experience Leadership project of £40 thousand/year.

Financial review

Reserves policy

It is the charity's policy to maintain funds at a level that provides sufficient funds to cover management administration and support costs for a period of three months. Given the historical rapid expansion of the organisation, there is still more to do to meet this goal. The trustees are aware of this situation and are addressing this. The impact of the Cost of Living Crisis on funding, and the ongoing reality of Covid-19 may mean that this will take longer. However, we have secured new funding from the Equality and Human Rights fund for the coming year. We are further reviewing options for hybrid working.

Future plans

We will continue to work to ensure that disabled people's equality and human rights, and our lived experience are considered both in responses to the pandemic and in planning for recovery, in various areas; and to highlight the continuing impacts of both Cost of Living Crisis, the on-going effect of pandemic responses, and Brexit. Due to the systemic poverty of disabled people, the main focus will be on the Cost of Living Crisis, with special reference to whether the human rights of disabled people are being met. That aside, we expect our work to continue - on developments in Human Rights legislation, in the introduction and set up of the National Care Service. We expect demand for the Access to Elected Office Fund to continue to grow in the coming years, and to build on the success of private-sector internships. At the end of the funding cycle from the Scottish Government, we will apply for further funding to deliver our core work and projects. Due to the known and prospective Third Sector budget cuts, Inclusion Scotland will also be reviewing its structure and scope over the coming months, and will utilise unrestricted funds to ease any transitional period, ensuring the organisation remains a stable going concern. The governance role of our Board, notably risk management, will continue to be of key importance during the coming year – especially as any Westminster budget cuts directly affect our funding, and the expectation is for cuts to be substantive.

Inclusion Scotland Report of the Trustees (continued) For the year ended 31 March 2022

Structure, governance and management

Governing document

Inclusion Scotland is governed by its Articles of Association.

Appointment to the Board of trustees

The process for appointing trustees is set out in the Articles of Association. Candidates are nominated by full member organisations (DPOs) at the Annual General Meeting (AGM). Where the number of nominees exceeds the number of places available in each case, an election is held at the AGM.

The Board of Trustees meets approximately four times a year. This has happened remotely this past year, with the Officers meeting more regularly as and when required.

The Constitution allows for 7 elected members and 5 co-opted places. Following the AGM in October 2021, 6 elected members were in place. One co-option was then made. There were three office-bearers - Convenor, Vice Convenor, and Treasurer. There was no Company Secretary elected this year.

Organisational structure

The three Heads of Departments were acting up as Interim Executive Directors until the appointment of our new Chief Executive Officer at the end of June. The organisational structure remains unchanged from last year's restructure. The Chief Executive Officer works alongside the management team, across three Departments:

- Operations and Business Development Department
- Leadership and Civic Participation Department
- Policy and Research Department

Membership

Over the past year, we have undertaken work to update membership records and increase signup. Thanks to these efforts, the year's figures show an increase from 727 to 816. Disabled Peoples' Organisations remain the only voting member category, with other categories labelled in different ways

Members: Disabled People's Organisations, who are led by disabled people	51
Associates: Individual members, who are disabled people	555
Affiliates: Disability focused organisations, who are not led by disabled people	76
Supporting Organisations: Non disability organisations	41
Supporting Individuals: Non-disabled individuals	93

Total Membership/Supporters:	816
	=====

In addition to our membership, we reach a large number of organisations and individuals through our networks and communications, notably our twice-monthly newsletter and our employers' bulletin that was launched in 2021.

Board members induction and training

New Board Members receive an induction, and all receive ongoing support and development, as required to fulfil their governance role effectively.

Inclusion Scotland Report of the Trustees (continued) For the year ended 31 March 2022

Risk management

The following risk categories are acknowledged by the Directors and will be mitigated as noted. In general, the first line of risk mitigation is by risk awareness, followed by the other means particularly stated here, and by monitoring a Risk Register.

Operational

There is a risk of operational shortcomings and failings leading to financial, reputational, and legal risks, both criminal and civil. Mitigation of these risks will be achieved by the continuing implementation and monitoring of management systems to ensure compliance with statutory requirements, maintenance management, training, health and safety, and customer care.

Financial (revenue)

There is a risk of the organisation failing financially. Mitigation will be achieved by a structured operational budgeting process, competent risk/benefit analysis, clear management accounting, maintenance of financial management and commercial competencies, and compliance with statutory reporting requirements.

Funding

There is a risk of not securing sufficient funding for activities and projects curtailed because of insufficient funds and/or overspending. A structured funding budgeting process will achieve mitigation, matching commitments to available finances, competent project management, and clear financial accounting.

Reputation

There are risks to reputation from many directions, some of them detailed above and some which may arise from changes in the political environment and less predictable events. Extra mitigation will be helped by building a strong brand, having a reputation for general competence, and sensitivity in dealing with issues.

Regulatory

Apart from the risks of non-compliance mentioned above, there is the risk that changes in regulations could adversely affect the organisation. Mitigation will be achieved by assessing the impact of foreseeable changes and monitoring to ensure warning of actual changes, allowing time for planning responses.

Organisational capacity

There is a risk that the implementation of pre-committed funded activities is undermined by a lack of capacity in the organisation or by the organisation becoming stretched. This risk will be mitigated by adequate governance by a competent Board that will ensure the provision of, and oversee, strong management with resources and competencies to carry out the organisation's business.

Key management personnel and pay policy for senior staff

The trustees consider the Board of Trustees, who are the charity's directors, and the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All trustees give of their time freely, and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 7 of the accounts.

Senior staff pay scales are benchmarked against SJC pay grades where possible. However, the trustees recognised that senior staff pay may not have kept pace with the expansion of their responsibilities that have accompanied the organisation's growth. Following an independent review of staff pay, carried out during the previous reporting year, a new pay scale and a competency framework have been worked up, tested, and approved for use by the Board.

**Inclusion Scotland
Report of the Trustees (continued)
For the year ended 31 March 2022**

Subsidiary trading company

Real Inclusion Limited is a company registered in Scotland, and its principal activity is to raise income for Inclusion Scotland. The company remained in dormancy. Leo Starrs-Cunningham became director from October 2021. In the interim, Phyl Meyer (Head of Business Development) took over the role of Company Secretary until his departure in September 2021 until which point, he was replaced by Raj Jeyaraj (Head of Operations and Business Development).

Reference and administrative details

Registered Company number

SC243492 (Scotland)

Registered Charity number

SC031619

Registered office

22-24 Earl Grey Street
Edinburgh
EH3 9BN

Trustees

- Mr L Starrs-Cunningham (Re-elected 28 October 2021, Convenor)
- Dr J Elder-Woodward (Re-elected 28 October 2021, Vice Convenor)
- Mr A Mason (Re-elected 28 October 2021)
- Dr Balkishan Agrawal (Re-elected 28 October 2021)
- Ms I Paterson (Elected 28 October 2021)
- Mr Derek Kelter (Elected 28 October 2021)
- Ms K Dams (Co-opted 28 October 2021, Treasurer)

As the company is limited by guarantee, the financial interests of the trustees in the company are identical to those of the members.

Chief Executive Officer

Miss M Tasker (appointed 28 June 2021)

The Senior Management Team stepped up until the appointment of the new CEO:

- Mr P Meyer (Interim Director)
- Dr Pauline Nolan (Interim Director)
- Ms H Fisker (Interim Director)

Company Secretary

None

Auditors

Chiene + Tait LLP
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
8 Lochside Avenue
Edinburgh
EH12 9DJ

**Inclusion Scotland
Report of the Trustees (continued)
For the year ended 31 March 2022**

Statement of Trustees responsibilities

The trustees (who are also the directors of Inclusion Scotland for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable
- company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware, and
- the trustees, having made enquiries of fellow trustees and the charitable company's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

23 February 2023

Approved by order of the Board of trustees on, signed on its behalf

Leo Timothy Starrs-Cunningham

.....
Leo Starrs-Cunningham, Convenor

Inclusion Scotland Independent Auditor's Report to the Trustees and Members of Inclusion Scotland For the year ended 31 March 2022

Opinion

We have audited the charitable company's financial statements of Inclusion Scotland for the year ended 31 March 2022 on pages 12 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 conclude that the trustees' use of the going concern basis 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 charitable company'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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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, 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Inclusion Scotland Independent Auditor's Report to the Trustees and Members of Inclusion Scotland For the year ended 31 March 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risks of acts by the charitable company which were contrary to applicable laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- review of minutes of trustee meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Inclusion Scotland Independent Auditor's Report to the Trustees and Members of Inclusion Scotland For the year ended 31 March 2022

Our responsibilities for the audit of the financial statements (continued)

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Board that represented a material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy M Chittleburgh CA
Chiene + Tait LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
EDINBURGH
EH3 6NL

Date: 23 February 2023

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

INCLUSION SCOTLAND**STATEMENT of FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)****For the year ended 31 March 2022**

	Notes	Un- restricted Funds £	Restricted Funds £	2022 Total Funds £	Un- restricted Funds £	Restricted Funds £	2021 Total Funds £
Income and Endowments from:							
Donations and legacies	2	208,123	25,350	233,473	479,521	-	479,521
Charitable activities							
Project activities	3	426,771	362,525	789,296	48,450	949,006	997,456
Other income		36,148	-	36,148	5,144	8,000	13,144
Total		671,042	387,875	1,058,917	533,115	957,006	1,490,121
Expenditure on:							
Charitable activities							
General activities	4	503,694	612,332	1,116,026	437,961	723,533	1,161,494
Total		503,694	612,332	1,116,026	437,961	723,533	1,161,494
Net income/(expenditure)		167,348	(224,457)	(57,109)	95,154	233,473	328,627
Transfer between funds	15	-	-	-	43,957	(43,957)	-
		167,348	(224,457)	(57,109)	139,111	189,516	328,627
Other recognised gains/(losses)							
Actuarial (losses)/gains		7,453	-	7,453	(619)	-	(619)
Net movement in funds		174,801	(224,457)	(49,656)	138,492	189,516	328,008
Reconciliation of Funds							
Total funds brought forward		160,810	229,368	390,178	22,318	39,852	62,170
Total Funds Carried Forward		335,611	4,911	340,522	160,810	229,368	390,178

All income and expenditure has arisen from continuing activities.

INCLUSION SCOTLAND**BALANCE SHEET****At 31 March 2022**

	Notes	2022	2021
		£	£
Fixed Assets			
Tangible assets	10	11,672	18,740
Investments	11	1	1
		-----	-----
		11,673	18,741
Current Assets			
Debtors	12	107,359	17,988
Cash in hand		259,221	448,616
		-----	-----
		366,580	466,604
Creditors: Amounts falling due within one year	13	(33,714)	(81,413)
		-----	-----
Net Current Assets		332,866	385,191
		-----	-----
Total assets less current liabilities		344,539	403,932
Pension liability	16	(4,017)	(13,754)
		-----	-----
Net assets		340,522	390,178
		=====	=====
Funds	15		
Unrestricted funds		335,611	160,810
Restricted funds		4,911	229,368
		-----	-----
		340,522	390,178
		=====	=====

These financial statements are prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 23 February 2023 and were signed on its behalf by:

Leo Timothy Starrs-Cunningham

.....
Mr L Starrs-Cunningham
Convenor

INCLUSION SCOTLAND**CASH FLOW STATEMENT****For the year ended 31 March 2022**

	Notes	2022	2021
		£	£
Cash flows from operating activities	1		
Cash (used in)/generated from operations		(184,156)	209,416
Pension deficit contributions		(2,392)	(2,322)
		-----	-----
Net cash (used in)/provided by operating activities		(186,548)	207,094
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(2,847)	(15,088)
		-----	-----
Net cash used in investing activities		(2,847)	(15,088)
Change in cash and cash equivalents in the reporting period		(189,395)	192,006
Cash and cash equivalents at the beginning of the reporting period		448,616	256,610
		-----	-----
Cash and cash equivalents at the end of the reporting period		259,221	448,616
		=====	=====

	At 1 April 2021	Cashflows	Other non-cash changes	At 31 March 2022
	£	£	£	£
Cash and Cash Equivalents				
Cash	448,616	(189,395)	-	835,145
	=====	=====	=====	=====

INCLUSION SCOTLAND**NOTES to the CASH FLOW STATEMENT****For the year ended 31 March 2022****1. Reconciliation of Net Income/(Expenditure) To Net Cash Flow from Operating Activities**

	2022	2021
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(57,109)	328,627
Adjustments for:		
Depreciation charges	7,975	8,927
Loss on disposal of fixed assets	1,940	-
Non-cash interest on defined benefit pension (Increase)/decrease in debtors	108 (89,371)	356 20,645
Decrease in creditors	(47,699)	(149,139)
	----- (184,156) =====	----- 209,416 =====

2. Analysis of Cash and Cash Equivalents

Cash at bank and in hand	259,221	448,616
	=====	=====

INCLUSION SCOTLAND

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2022

1. Accounting Policies

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(second edition October 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Inclusion Scotland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The trustees consider that there are no material uncertainties about Inclusion Scotland's ability to continue as a going concern. With regard to the following year, the most significant area of uncertainty facing Inclusion Scotland is the level of funding which needs to be raised each and every year, this is covered in more detail in the performance and risk sections of the trustees' annual report.

Accounting judgements and sources of estimation uncertainty

In preparing these financial statements, the trustees have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required, an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income represents those items not falling into any other heading.

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****1. Accounting Policies (continued)****Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of its commercial trading subsidiary and their associated support costs.
- Expenditure on charitable activities includes costs of the projects undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 5.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	-	20% straight line
Computer equipment	-	33% straight line
Tenants improvements	-	10% straight line

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

Pension costs and other post-retirement benefits

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

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Legal status of the charity

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

Investments

Investments is the share it owns in its trading subsidiary, Real Inclusion Limited, which is carried at cost.

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****1. Accounting Policies (continued)****Cash at bank and in hand**

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

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

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 the 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 after allowing for any discounts due.

Financial Instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

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

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

2. Donations and Legacies	2022	2021
	£	£
Donations and legacies	873	44,906
Scottish Government core funding	207,250	414,500
Department of Work and Pensions	25,350	20,115
	-----	-----
	233,473	479,521
	=====	=====

3. Income from Project Activities	2022	2021
	£	£
Activity		
Grants: Project activities	789,296	864,552
Grants: Big Lottery Fund projects	-	132,904
	-----	-----
	789,296	997,456
	=====	=====

	2022	2021
	£	£
Grants received, included in the above, are as follows:		
Scottish Government	759,650	864,552
Equality and Human Rights Commission	19,646	-
Skills Development Scotland	10,000	-
Big Lottery Fund – Disability Research on Independent Living and Learning	-	120,411
Big Lottery Fund – Lived Experience Leadership	-	12,493
	-----	-----
	789,296	997,456
	=====	=====

4. Charitable Activities Costs	Direct Costs	Support Costs	Total Costs
	£	£ (See note 5)	£
General activities	1,104,996	11,030	1,116,026
	=====	=====	=====

5. Support Costs	2022	2021
	£	£
Human resources		
Recruitment costs	2,000	955
Governance costs		
Auditors remuneration	5,400	4,920
Auditors remuneration – non audit work	2,880	11,940
Legal and professional fees	750	299
	-----	-----
	11,030	18,114
	=====	=====

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

6. Net income/(expenditure)	2022	2021
	£	£

Net income/(expenditure) is stated after charging/(crediting):

Auditor's remuneration	5,400	4,920
Non-audit services	2,880	11,940
Depreciation	7,975	8,927
	=====	=====

7. Trustees' Remuneration and Benefits

The trustees are prohibited by the Articles of Association from receiving emoluments from the company.

Trustees' expenses

The trustees are reimbursed only for expenses necessarily incurred in connection with the charity's activities. The amount reimbursed during the year to 31 March 2022 was £nil (2021: £22).

8. Staff Costs	2022	2021
	£	£

Wages and salaries	593,287	762,930
Social security costs	58,219	65,470
Other pension costs	46,782	64,005
	-----	-----
	692,288	892,405
	=====	=====

The average monthly number of employees during the year was	20	24
	=====	=====

No employees received emoluments in excess of £60,000.

The Key Management Personnel are defined as the CEO plus the four Heads of Department. The aggregate remuneration of key management personnel in the year was £196,659 (2021: £213,888).

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

10. Tangible fixed assets	Tenant Improve- ments	Plant and machinery	Computer equipment	Totals
	£	£	£	£
Cost				
At 1 April 2021	3,189	6,508	26,399	36,096
Additions	-	-	2,847	2,847
Disposals	-	(3,234)	-	(3,234)
	-----	-----	-----	-----
At 31 March 2022	3,189	3,274	29,246	35,709
	-----	-----	-----	-----
Depreciation				
At 1 April 2021	650	4,568	12,138	17,356
Charge for the year	319	-	7,656	7,975
On disposals	-	(1,294)	-	(1,294)
	-----	-----	-----	-----
At 31 March 2022	969	3,274	19,794	24,037
	-----	-----	-----	-----
Net book value				
At 31 March 2022	2,220	-	9,452	11,672
	=====	=====	=====	=====
At 31 March 2021	2,539	1,940	14,261	18,740
	=====	=====	=====	=====

11. Fixed Asset Investments

The charity holds 1 £1 ordinary share in its wholly owned trading subsidiary Real Inclusion Limited. Real Inclusion Limited is incorporated in the United Kingdom (company number SC293760). Real Inclusion Limited was been dormant in both the current and prior year.

	2022	2021
Aggregate share capital and reserves	1	1
	=====	=====

12. Debtors: amount falling due within one year

	2022	2021
	£	£
Debtors	7,790	3,542
Monies held by payroll agents	88,968	680
Prepayments and accrued income	10,601	13,766
	-----	-----
	107,359	17,988
	=====	=====

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Creditors	8,081	40,791
Accrued expenses	25,633	40,622
	-----	-----
	33,714	81,413
	=====	=====

INCLUSION SCOTLAND

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

14. Analysis of net assets between funds	Un- Restricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Fixed assets	11,673	-	11,673	18,741
Net current assets	327,955	4,911	332,866	385,191
Pension liability	(4,017)	-	(4,017)	(13,754)
	-----	-----	-----	-----
	335,611	4,911	340,522	390,178
	=====	=====	=====	=====

15. Movement in funds	At 1 April 2021 £	Income £	Expenditure £	Unrealised gains/(losses) and transfers £	At 31 March 2022 £
Unrestricted					
General fund	160,810	671,042	(503,694)	7,453	335,611
	-----	-----	-----	-----	-----
Restricted					
APPLE/LE	184,722	189,650	(374,372)	-	-
LEL Project	3,400	-	(3,400)	-	-
Access to Elected Office	28,287	50,000	(78,287)	-	-
Private Sector Interns	12,959	-	(12,959)	-	-
Social Care Scotland	-	122,875	(117,964)	-	4,911
Access to Work	-	25,350	(25,350)	-	-
	-----	-----	-----	-----	-----
	229,368	387,875	(612,332)	-	4,911
	-----	-----	-----	-----	-----
	390,178	1,058,917	(1,116,026)	7,453	340,522
	=====	=====	=====	=====	=====

Details of the funds can be found in the Trustees' report.

Movement in funds	At 1 April 2020 £	Income £	Expenditure £	Unrealised gains/(losses) and transfers £	At 31 March 2021 £
Unrestricted					
General fund	22,318	533,115	(437,961)	43,338	160,810
	-----	-----	-----	-----	-----
Restricted					
APPLE/LE	2,918	721,750	(539,946)	-	184,722
DRILL	-	71,961	(28,004)	(43,957)	-
LEL Project	24,813	12,493	(33,906)	-	3,400
Access to Elected Office	12,121	100,000	(83,834)	-	28,287
Private Sector Interns	-	50,802	(37,843)	-	12,959
	-----	-----	-----	-----	-----
	39,852	957,006	(723,533)	(43,957)	229,368
	-----	-----	-----	-----	-----
	62,170	1,490,121	(1,161,494)	(619)	390,178
	=====	=====	=====	=====	=====

The DRILL project finished in September 2020. An agreement was made with the funding provider that the underspend of £43,957 could be used for other projects therefore a fund transfer has been made from restricted funds to unrestricted funds.

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****16. Employee benefit obligations****TPT Retirement Solution - Scottish Voluntary Sector Pension Scheme**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit Contributions

From 1 April 2019 to 30 September 2026	£1,404,638 per annum	(payable monthly) and increasing by 3% each on 1st April
From 1 April 2019 to 30 September 2027	£136,701 per annum	(payable monthly) and increasing by 3% each on 1st April

The contributions to 30 September 2027 are in respect of those employers that have agreed concessions (both past and present) with the Trustee.

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

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

Present values of provision	2022	2021	2020
	£	£	£
Present value of provision	4,017	13,754	15,101
	=====	=====	=====

INCLUSION SCOTLAND**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****16. Employee benefit obligations (continued)**

Reconciliation of provision & income and expenditure impact	2022	2021
	£	£
Provision at start of the year	13,754	15,101
	-----	-----
Deficit contribution paid	(2,392)	(2,322)
	-----	-----
Unwinding of the discount factor (interest expense)	108	356
Remeasurements - impact of any changes in assumptions	(60)	619
Remeasurements - amendments to the contribution schedule	(7,393)	-
	-----	-----
Income and expenditure account	(7,345)	(1,347)
	-----	-----
Provision at end of the year	4,017	13,754
	=====	=====

%	2022	2021	2020
Assumptions	%	%	per annum
	per annum	per annum	per annum
Rate of discount	2.30	0.86	2.57
	=====	=====	=====

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

Defined contribution pension scheme

The company also participates in a defined contribution pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £49,174 (2021: £54,961)

There were no contributions due to the fund at 31 March 2022 (2021: £nil).

17. Related party disclosures

During the year, Inclusion Scotland made purchases of £nil (2021: £10,195) from Lothian Centre for Inclusive Living. Dr B Agrawal is also a director of Lothian Centre for Inclusive Living. At 31 March 2022, Inclusion Scotland owed Lothian Centre for Inclusive Living £nil (2021: £nil).

18. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases for each of the following periods are:

	2022	2021
	£	£
Within one year	60,000	60,000
Greater than one year and less than five years	45,000	105,000
	-----	-----
Total commitment	105,000	165,000
	=====	=====

LETTER OF REPRESENTATION

Chiene + Tait LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
EDINBURGH
EH3 6NL

Dear Sirs / Madams

INCLUSION SCOTLAND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charity's financial statements for the year ended 31 March 2022. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 4 February 2019, under the Charities and Trustee Investment (Scotland) Act 2005 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Office of the Scottish Charity Regulator.
- 4 The financial statements are free of material misstatements, including omissions.

Internal control and fraud

- 5 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 6 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 7 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 8 The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.
- 9 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 10 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

- 11 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Legal claims

- 12 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

13 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

14 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

15 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

16 We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

17 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Leo Timothy Starrs-Cunningham

.....
Signed on behalf of the board of trustees

Date: 23 February 2023

Certificate Of Completion

Envelope Id: 7DB7A32E168543E4852C28D28AC2E250	Status: Completed
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Document Pages: 28	Signatures: 4
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AutoNav: Enabled	Envelope Originator:
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	Edinburgh, Midlothian EH3 6NL
	russelle.lothian@chiene.co.uk
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Signer Events	Signature	Timestamp
Leo Timothy Starrs-Cunningham leostarrscunningham@gmail.com Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 2.103.73.221	Sent: 23 February 2023 15:44 Viewed: 23 February 2023 15:52 Signed: 23 February 2023 15:56

Electronic Record and Signature Disclosure:
Accepted: 23 February 2023 | 15:52
ID: 0b1d4284-b2ad-49cf-a3e7-aab5856e5357

Jeremy Chittleburgh jeremy.chittleburgh@chiene.co.uk Senior Partner Security Level: Email, Account Authentication (None)	 Signature Adoption: Drawn on Device Using IP Address: 194.140.216.2	Sent: 23 February 2023 15:56 Viewed: 23 February 2023 16:29 Signed: 23 February 2023 16:58
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Electronic Record and Signature Disclosure:
Accepted: 23 February 2023 | 16:29
ID: bc0b89c9-eea5-41a9-ba1f-beebe40ae67d

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

Bethany Ferguson bethany.ferguson@chiene.co.uk Security Level: Email, Account Authentication (None)	COPIED	Sent: 23 February 2023 16:58
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Carbon Copy Events	Status	Timestamp
Raj Jeyaraj raj@inclusionscotland.org Head of Operations Security Level: Email, Account Authentication (None)	COPIED	Sent: 23 February 2023 16:58 Viewed: 24 February 2023 09:42
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	23 February 2023 15:44
Certified Delivered	Security Checked	23 February 2023 16:29
Signing Complete	Security Checked	23 February 2023 16:58
Completed	Security Checked	23 February 2023 16:58

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

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