

**COMPANIES HOUSE
EDINBURGH**

21 DEC 2018

FRONT DESK

**EQUALITY NETWORK LIMITED
(A company limited by guarantee)**

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

Charity No: SC037852

Company No: SC220213



**WHITELAW WELLS
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT**

EQUALITY NETWORK LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

CONTENTS	page
Report of the Directors	1
Independent Examiner's Report	10
Statement of Financial Activities (incorporating the Income and Expenditure Account)	11
Balance Sheet	12
Notes forming part of the financial statements	13

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

The directors, who are directors for the purpose of company law and trustees for the purpose of charity law, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 March 2018, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Purposes

The purposes of the company shall be wholly charitable. In particular, the purposes shall be:-

- to promote the human rights of Scotland's lesbian, gay, bisexual, transgender, and intersex people;
- to promote fair and equal treatment for lesbian, gay, bisexual, transgender, and intersex people in the laws, institutions and society of Scotland; and
- to provide assistance to people and organisations working in other countries, to promote equality and human rights for lesbian, gay, bisexual, transgender, and intersex people in those countries.

Main activities

The charity operates through a Scottish network of individuals and groups. Members of the network are enabled to contribute to the development by the Scottish Government, Scottish Parliament and other policy makers of law and policy relating to LGBTI people. This participation is supported by regular information provision for members of the network, conferences and other meetings, surveys and research, support for engagement directly with policy makers, and support for network members to campaign for change. The charity works to build the capacity of LGBTI people and groups across Scotland, enabling them more effectively to network, to engage with public and other bodies, and to advocate for equality.

The charity provides policy advice and training for public, voluntary and private sector bodies, and underpins its work with research. The charity works in close partnership with other organisations with similar aims and is grateful for the assistance of volunteers.

ACHIEVEMENTS AND PERFORMANCE

The Equality Network and Scottish Transgender Alliance projects

In 2017-18 we received two significant grants from the Scottish Government's Equality Unit. One of these grants, for the Equality Network project, represented funding for the continuation of work which has been a focus of the organisation since 2004. The other grant, for the Scottish Transgender Alliance project, continued funding for that project, which has operated since 2008.

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

ACHIEVEMENTS AND PERFORMANCE (continued)

The Equality Network project aims to create lasting improvement in the situation of LGBTI people in Scotland, through five specific outcomes:

Equality and human rights for LGBTI people are increasingly delivered by the law, services, employment and society of Scotland.

The project achieved this by providing information and advice for Scottish and UK Government officials, MSPs, MPs and other national policy influencers including the media. This included information and advice on policy changes being considered by the government, and on key priorities identified by LGBTI people. These included hate crime law and policy, the Historical Sexual Offences (Pardons and Disregards) (Scotland) Bill, potential questions about sexual orientation and trans status in the Census 2021, reform of gender recognition law, justice policy, health and other public services, and sports policy.

LGBTI people and groups are increasingly able to engage with each other and more widely, to reduce social isolation and improve equality and human rights in the law, services, employment and society in Scotland.

The project achieved this by consulting with LGBTI people on equality issues and priorities, through surveys, for example a survey on LGBTI people's views on the Historical Sexual Offences (Pardons and Disregards) (Scotland) Bill, and consultation events, for example on sports policy and on refugee policy, and by encouraging and supporting LGBTI people to engage directly with policy makers. The project also provided one-to-one support for LGBTI community groups across Scotland in rural and other areas, and organised a networking and capacity building event for bisexual people.

The full diversity of LGBTI people in Scotland, including those with intersectional identities, increasingly benefit from equality and human rights work.

The project achieved this by working and consulting with a group of volunteer intersectional community champions to ensure that our work is inclusive of a wide range of identities and needs, and working to ensure that all our work with LGBTI communities is fully accessible and reaches a wide diversity of LGBTI people. The project provided training sessions for public and voluntary sector bodies on how to include intersectional people in service provision, and produced a film exploring the experiences of LGBTI asylum seekers.

There is increasing understanding of, and expertise in, the situations and needs of LGBTI people in Scotland.

The project achieved this through providing high quality and expert public information on LGBTI issues, including on the law, policy, community development work and intersectional issues, via our websites, email newsletters and social media channels. This included a comprehensive research report on LGBTI people's experiences of hate crime. The project provided a responsive information service to enquiries both from LGBTI communities and from policy makers and service providers, and also provided information on LGBTI equality issues and developments to the media.

The Scottish, UK and international equality and human rights sectors have increasing awareness of LGBTI equality and human rights expertise and good practice developing in Scotland.

The project engaged with a wide range of other equality and human rights organisations in Scotland, and with LGBTI and other equality organisations in the rest of the UK, to share information and to work together on common issues. The project engaged with ILGA-Europe and TGEU (the main European level LGBTI and transgender organisations) through conferences and meetings and worked with them to assist their research and policy development.

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

ACHIEVEMENTS AND PERFORMANCE (continued)

The Scottish Transgender Alliance project remains the only funded transgender-specific equality and rights policy project in Scotland. It aims to create lasting improvement in the situation of transgender people in Scotland, through three key outcomes:

Informing government policy makers, equality organisations, and other employers and service providers about how to improve gender identity and gender reassignment equality, rights and inclusion through policy and good practice development.

The project provided a wide range of transgender equality and good practice guidance and training for policy makers, public bodies, employers and service providers. The project worked with the National Gender Identity Clinical Network for Scotland and local NHS boards to improve access to NHS gender identity, cancer screening, and sexual health services. The project worked in partnership with the Scottish Prison Service and other parts of the justice system to address transgender equality and transphobic hate crime. The project provided high quality and expert public information on trans equality.

Supporting, informing and equipping transgender people to engage with equality organisations, policy makers, service providers and employers to improve gender identity and gender reassignment equality, rights and inclusion.

In partnership with local groups, the project held a series of engagement events in locations around Scotland, to support trans people to respond to the Scottish Government's consultation on reform of the Gender Recognition Act. The project supported a number of volunteers to undertake a range of trans equality volunteer work.

Increasing accurate, positive and inclusive visibility of transgender people's experiences in Scotland in order to improve social attitudes towards transgender people.

In partnership with the Scottish Queer International Film Festival, the project ran a filmmaking course for transgender people, including producing a short film. The project carried out extensive media work to improve media coverage of trans people's lives and equality concerns. The project supported Trans Pride Scotland to hold the first ever Scottish transgender pride event, with over 500 marchers.

Other projects

The organisation received funding from the Scottish Government Equality Unit to continue a project to support intersex equality, which began in 2015. The project continued to research intersex equality issues, engaging with a variety of intersex organisations and people.

Finally, the organisation continued to carry out campaigning work during 2017-18 on issues including gender recognition law reform, and equality in civil partnership law, funded by donation and merchandise income.

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

FINANCIAL REVIEW

The charity generated total income of £465,834 (2017: £420,847) and recorded net income of £35,972 (2017: £43,444). There was a net income of £24,211 (2017: £16,832) on unrestricted funds and £11,761 (2017: net income £26,612) on restricted funds before transfers between funds.

Principal Funding Sources

The principal funding source for the charity is grant income, primarily from the Scottish Government. Other funders are shown in note 2. The charity also receives donations and generates income from consultancy and training work. The charity is grateful to all those organisations and individuals who have given donations during the year.

Reserves Policy

As at the year end total funds amounted to £199,522 (2017: £163,550), of which £44,553 (2017: £31,700) was restricted and £5,109 (2017: £892) designated. Free reserves at 31 March 2018, being unrestricted general funds, were £149,860 (2017: £130,958).

The directors have established a policy whereby the unrestricted funds held by the charity, not committed or invested in tangible fixed assets ('the free reserves') should equate to between 3 and 6 months of the total resources expended, being around £107,000 to £215,000. At this level, the directors feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary also to consider how the funding would be replaced or activities changed. At the year end, free reserves were £149,860, within the target policy.

Risk Management

The directors have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which allows for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

The organisation reviews risks annually. In 2018, the directors identified the following as the most significant risks:

1. Reduction in Scottish Government grant funding (category: financial)

Mitigation strategies: The organisation ensures good delivery of grant activities and outcomes. The Project Director manages this, and the directors oversee delivery via quarterly reports. The organisation has a strategy to diversify income, with a particular emphasis on donation income, fee income and grant applications from other sources. The organisation has established sub-groups of directors and staff to push forward donation fundraising and fee income. The current business planning cycle has a strong focus on identifying potential grant funding from new sources.

2. Loss of key staff (category: staffing)

Mitigation strategies: The organisation places great value on its staff and prioritises supporting them. Quarterly staff days, and six-monthly meetings between staff and directors, identify stresses and ways

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

FINANCIAL REVIEW (continued)

to mitigate them. The organisation operates a flexible working policy allowing staff to choose their own hours, and supports staff who need time off. The organisation provides staff with free access to a counselling service.

3. Complaints disrupt the work of the organisation (category: external)

Mitigation strategies: The organisation recognises that, since it works with very diverse communities including those with strong and differing views on rights and how to advocate for them, it is inevitable that some will strongly disagree with parts of our work. Depending on how this disagreement is expressed, there is a risk of significant disruption to the organisation's work. The organisation has clear policies for maintaining safe and supportive space at events, for engaging positively with any feedback, for dealing with complaints promptly, and of never publicly criticising others. The organisation has insurance cover for any legal challenge.

PLANS FOR FUTURE PERIODS

The charity plans to continue the activities as outlined above in the forthcoming years subject to satisfactory funding arrangements. Key objectives for the next five years are to:

- Further improve legal equality for LGBTI people, including reforming gender recognition law, improving equality law protections, protecting the rights of intersex people, inclusion of a question on sexual orientation, and improved sex/gender questions, in the 2021 Census, and opening up civil partnership to couples regardless of gender mix;
- Further improve social attitudes towards LGBTI people;
- Ensure that the justice system delivers better for LGBTI people, including a long-term reduction in hate crime against LGBTI people, with medium-term increases in reporting of hate crime and satisfaction with responses after reporting;
- Improve the availability of appropriate health and social care for LGBTI people, with a particular focus on reproductive and fertility services, and on gender identity services and mental health services for trans people;
- Improve the delivery of education services to trans people and to intersex people;
- Improve LGBTI community infrastructure across Scotland, reflecting LGBTI diversity;
- Enable LGBTI people to better engage with and influence national and local policy makers and service providers, recognising the urban/rural divide;
- Ensure that the full diversity of LGBTI people and communities, including bisexual people and LGBTI people with intersectional identities, increasingly benefit from equality and human rights work, and are better reflected in the work of the organisation;
- Support people with variations of sex characteristics / intersex people to influence improvements in policy and services;
- Develop partnerships with LGBTI organisations in other countries to support the work of those organisations to improve LGBTI people's equality and human rights.

We aim to do these things by:

- Developing policy positions to advance LGBTI equality, and providing expert advice for policy makers and influencers;
- Providing training and consultancy support, on a range of LGBTI equality matters, for the public, voluntary and private sectors;

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

PLANS FOR FUTURE PERIODS (continued)

- Engaging with diverse LGBTI people across Scotland to continuously develop policy, and facilitating direct engagement by LGBTI people with policy makers;
- Developing the capacity, and supporting networking of, LGBTI organisations and people across Scotland;
- Public and media campaigning for specific LGBTI equality changes;
- Undertaking research into the experiences and needs of LGBTI people, and attitudes and behaviours towards LGBTI people;
- Publishing a wide range of materials, including research, good practice guidance, and campaign materials;
- Operating the largest email and online network of LGBTI people and supporters in Scotland, to provide information and to support engagement, and engaging with the media;
- Leading on transgender equality, providing policy and strategic advice, training, community development and networking, increasing accurate and positive visibility of transgender people's experiences, and sharing expertise internationally;
- Facilitating the engagement of people with variations of sex characteristics / intersex people and groups with policy makers, supporting their capacity to advocate for their rights, and supporting the development of policy on intersex equality;
- Developing approaches to intersectional equality, including the intersections of sexual orientation, gender identity and sex characteristics with race, religion/belief and disability, by building partnerships and shared solutions;
- Ensuring that all our activities are accessible to, and deliver for, all LGBTI people;
- Working in positive coordination and partnership with other LGBTI and equality organisations in Scotland, the UK and Europe;
- Evaluating our work and learning from experience;
- Building our reputation and improving our communications and marketing;
- Diversifying our income, including grant income, training and consultancy fees, and community fundraising, to grow the organisation and increase reserves; and
- Improving our business practices to enhance our professionalism, teamwork, effectiveness and efficiency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a not-for-profit company limited by guarantee, which was incorporated on 14 June 2001. The company was established under a Memorandum of Association, which sets out the objects and powers of the company, and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The company was awarded charitable status by the Office of the Scottish Charity Regulator on 21 February 2007.

The members of the company are the directors and other people reflective of the range of diverse LGBTI communities, who are admitted as members at the discretion of the directors.

Recruitment and Appointment of Directors

Under the requirements of the Memorandum and Articles of Association directors are elected to serve for a period of three years, after which they are required to stand down or stand for re-

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

election at the Annual General Meeting. New directors are approached by the existing Board of Directors and the new appointment approved at the Annual General Meeting.

Directors Induction and Training

Most directors are already familiar with the practical work of the charity. On appointment, new directors are briefed by the existing board on the responsibilities of being a director and current operations and financial position of the charity.

Organisational Structure

The charity is managed by a Board of Directors who meet periodically throughout the year and are responsible for the strategic direction and policy of the organisation. The directors are drawn from a variety of backgrounds relevant to the work of the organisation.

A scheme of delegation is in place whereby day-to-day responsibility for the operation of the charity rests with the most senior member of the charity's staff, the Project Director. The Project Director is responsible for ensuring the organisation delivers its objectives and that key performance indicators are met. All staff report to the Project Director.

Related Parties

The charity works closely with other LGBTI organisations in Scotland and works with other equality and human rights groups in Scotland, in the UK and in Europe.

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name

Equality Network Limited

Charity Registration Number

SC037852

Company Registration Number

SC220213

Directors

Joanna Long	Convener	(Resigned 6 March 2018)
Eilidh Douglas	Deputy Convener	(Resigned 25 May 2018)
Daniel Clayton		
Harry Dozier		(Resigned 12 November 2018)
Alan Jacques		(Resigned 23 May 2018)
Robert MacBean		
Katherine O'Donnell		(Appointed 3 August 2017)
Judith Syson		
Mridul Wadhwa		(Appointed 3 August 2017)
Mathew Wilkie		

Company Secretary

Timothy Hopkins

Key Management Personnel

Timothy Hopkins	Project Director
-----------------	------------------

Registered Office and Operational Address

30 Bernard Street
Edinburgh
EH6 6PR

Independent Examiner

Kevin Cattanaach
Chartered Accountant
Whitelaw Wells Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ -

EQUALITY NETWORK LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 MARCH 2018

RESPONSIBILITIES OF THE DIRECTORS

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing those financial statements, the directors are required to:

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

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

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the board of directors on 20 December 2018 and signed on its behalf by:



Robert MacBean
Director

EQUALITY NETWORK LIMITED
INDEPENDENT EXAMINER'S REPORT
YEAR ENDED 31 MARCH 2018

I report on the financial statements for the year ended 31 March 2018 set out on pages 11 to 22.

Respective responsibilities of the Trustees and the Independent Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act, Regulation 4 of the 2006 Accounts Regulations (as amended) and sections 381, 382 and 386 of the Companies Act 2006 ; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Kevin Cattnach
Chartered Accountant
Whitelaw Wells Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

20 December 2018

EQUALITY NETWORK LIMITED

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

YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income from:					
Donations		19,111	-	19,111	18,915
Charitable activities:					
Grants and service level agreements	2	-	427,300	427,300	393,453
Other income from charitable activities	3	18,925	-	18,925	6,850
Other trading activities:					
Fundraising		198	-	198	-
Sponsorship and advertising		225	-	225	1,587
Investment income: bank interest		75	-	75	42
Total income		38,534	427,300	465,834	420,847
Expenditure on:					
Raising funds		-	1,910	1,910	686
Charitable activities		14,323	413,629	427,952	376,717
Total Expenditure	4	14,323	415,539	429,862	377,403
Net income for the year	5	24,211	11,761	35,972	43,444
Transfer between funds	11	(1,092)	1,092	-	-
Net movement in funds for the year		23,119	12,853	35,972	43,444
Reconciliation of funds:					
Total funds at 1 April 2017		131,850	31,700	163,550	120,106
Total funds at 31 March 2018	11	154,969	44,553	199,522	163,550

There are no gains or losses other than those shown above.

All of the activities of the charity are classed as continuing.

The notes on pages 13 to 22 form part of these financial statements.

EQUALITY NETWORK LIMITED

BALANCE SHEET

AS AT ENDED 31 MARCH 2018

		2018 £	2017 £
Fixed assets			
Tangible assets	8	5,357	3,195
Current assets			
Debtors	9	6,524	2,427
Cash at bank and in hand		209,154	189,204
		215,678	191,631
Creditors: amounts falling due within one year	10	(21,513)	(31,276)
Net current assets		194,165	160,355
Net assets	12	199,522	163,550
Unrestricted funds			
General funds		149,860	130,958
Designated funds		5,109	892
Restricted funds		44,553	31,700
Total funds	11	199,522	163,550

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for year to 31 March 2018. The members have not required the company to obtain an audit of financial statements for the year to 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006.
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for each financial year in accordance with the requirement of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board of directors on 20 December 2018 and signed on its behalf by:



Judi Syson (Director)

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and are in accordance the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

The charity constitutes a public benefit entity as defined by FRS 102.

Equality Network has confirmed funding until 30 June 2020. Equality Network maintains regular contact with the funders, reporting on progress and discussing plans for the future. In expectation of continued support, the Directors have continued to adopt the going concern basis of accounting.

The charity has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

(b) Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are classified as "basic" in accordance with FRS102 and are accounted for at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows over the life of the financial assets or liability to the net carrying amount on initial recognition. Discounting is not applied to short-term receivables and payables, where the effect is immaterial. Financial assets comprise cash, grants receivable and other debtors. Financial liabilities comprise other creditors and accruals.

(c) Income

All income is included in the Statement of Financial Activities when the charity has entitlement, there is probability of receipt and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income received by way of grants and donations and is included in full in the Statement of Financial Activities when receivable. Where entitlement is conditional on the delivery of a specific performance by the charity, grants are recognised when the charity earns the right to consideration by its performance.
- Income from fundraising activities is included when receivable.
- Investment income is included when receivable.
- Income from training, fees and contract work are accounted for when earned.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

(d) Expenditure

Expenditure is recognised on an accruals basis as the liability is incurred. The charity is not VAT registered and, accordingly, cannot recover VAT on expenditure. VAT suffered is therefore reported as part of the expenditure to which it relates. The following specific policies are applied to particular categories of expenditure:

- Costs of raising funds comprise those costs directly associated with generating donations and fundraising income.
- Charitable activity expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs. Indirect expenditure is allocated between activities based on staff time.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

(e) Fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

- Computer equipment - 33% straight line
- Office equipment - 20% straight line

(f) Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risk of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line-basis over the life of the lease.

(g) Funds

Unrestricted funds are funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the directors for particular purpose.

(g) Pension costs

The charity contributes to the individual personal pensions of its employees. The annual contributions are charged to the Statement of Financial Activities.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

2. Grants and Service Level Agreements

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Scottish Government:				
Equality Network Project	-	230,000	230,000	230,000
Scottish Transgender Alliance Project	-	181,250	181,250	125,000
Intersex Equality	-	16,050	16,050	28,950
Big Lottery Fund: Awards for All	-	-	-	9,503
	<hr/>	<hr/>	<hr/>	<hr/>
Total	-	427,300	427,300	393,453
	<hr/>	<hr/>	<hr/>	<hr/>

During the year there were restricted grants amounting to £427,300 (2017: £393,453). There were no unrestricted grants in either the current or previous years.

3. Other income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Training and research fees	10,035	-	10,035	3,501
Conferences and events	320	-	320	1,370
Expense recharges to project partners	8,570	-	8,570	1,979
	<hr/>	<hr/>	<hr/>	<hr/>
Total	18,925	-	18,925	6,850
	<hr/>	<hr/>	<hr/>	<hr/>

During the year there was restricted other income of £Nil (2017: £639) and unrestricted other income of £18,925 (2017: £6,211).

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

4. Expenditure

	Policy Analysis & Engagement £	Community Sector Building £	Scottish Trans- gender £	Inter- sectional £	Misc Funds £	2018 Total £	2017 Total £
<u>Charitable activities</u>							
Wages and salaries (Note 6)	44,747	45,774	144,827	48,464	3,085	286,897	258,311
Other staff costs	962	831	2,533	655	500	5,481	3,182
Travel costs	1,080	2,979	11,433	2,039	13,948	31,479	20,942
Fundraising costs	301	541	520	301	247	1,910	686
Other campaign costs	12,000	8,455	4,578	6,920	460	32,413	18,683
TRANSforming Arts	-	-	8,080	-	-	8,080	5,423
Community leadership programme	114	5,499	2,805	5,567	-	13,985	19,318
Rent, rates and utilities	931	930	9,212	931	1,102	13,106	19,531
Administration costs	1,864	1,862	5,114	1,864	591	11,295	5,769
Telephone and internet	125	123	1,060	125	120	1,553	1,613
Accountancy costs	571	573	1,440	571	247	3,402	3,343
Depreciation	1,049	1,049	1,623	1049	-	4,770	3,610
Advertising	-	662	-	-	150	812	3,981
IT maintenance and support	1,319	1,318	6,295	1,319	606	10,857	7,772
Sundry	15	14	209	15	27	280	464
<u>Charitable activities: Governance costs</u>							
Administration costs	172	172	266	172	-	782	1,975
Accountancy costs	607	607	938	608	-	2,760	2,800
	<u>65,857</u>	<u>71,389</u>	<u>200,933</u>	<u>70,600</u>	<u>21,083</u>	<u>429,862</u>	<u>377,403</u>

Included above is restricted expenditure of £415,539 (2017: £367,508). All other expenditure was unrestricted in both the current and previous years.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

5. Net income for the year

This is stated after charging:-

	2018 £	2017 £
Depreciation	4,770	3,610
Independent Examiner's fees	2,760	2,800
Operating lease rentals: Land and building	9,000	9,000
Other	2,861	1,910
	<u> </u>	<u> </u>

No director received any remuneration for services as a director (2017: nil). Four directors were reimbursed travel expenses totalling £648 in relation to attendance at Board meetings (2017: One director, £441).

6. Staff costs and numbers

	2018 £	2017 £
Salaries and wages	253,520	226,210
Social security costs	18,517	18,789
Pensions	14,860	13,312
	<u> </u>	<u> </u>
	286,897	258,311
	<u> </u>	<u> </u>

No employee received emoluments of more than £60,000. Remuneration of key management personnel amounted to £44,048 (2017: £43,405) including employer pension contributions.

The average weekly number of employees during the year, on a head count basis, was as follows:

	2018 No.	2017 No.
Service provider staff	12	11
Support staff	2	2
	<u> </u>	<u> </u>
	14	13
	<u> </u>	<u> </u>

7 Taxation

The company has charitable status and is therefore exempt from tax on its charitable income under the provision of section 505 of the Income and Corporation Taxes Act 1988.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

8. Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 April 2017	21,532	8,687	30,219
Additions in year	6,932	-	6,932
Disposals	(2,498)	-	(2,498)
	<hr/>	<hr/>	<hr/>
At 31 March 2018	25,966	8,687	34,653
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2017	18,883	8,141	27,024
Charge for the year	4,446	324	4,770
Disposals	(2,498)	-	(2,498)
	<hr/>	<hr/>	<hr/>
At 31 March 2018	20,831	8,465	29,296
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2018	5,135	222	5,357
	<hr/>	<hr/>	<hr/>
At 31 March 2017	2,649	546	3,195
	<hr/>	<hr/>	<hr/>

9. Debtors

	2018 £	2017 £
Other debtors	5,254	1,312
Prepayments	1,270	1,115
	<hr/>	<hr/>
	6,524	2,427
	<hr/>	<hr/>

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Taxation and social security	6,251	5,257
Other creditors and accruals	15,262	26,019
	<hr/>	<hr/>
	21,513	31,276
	<hr/>	<hr/>

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

11. Movements in funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Restricted funds					
Scottish Government:					
Equality Network	19,010	230,000	(238,731)	-	10,279
Scottish Transgender Alliance	-	181,250	(158,888)	-	22,362
Intersex Equality	6,165	16,050	(10,551)	-	11,664
Capital fund	2,303	-	(2,055)	-	248
Big Lottery Fund: Awards for All Further Out	4,222	-	(5,314)	1,092	-
Total restricted funds	31,700	427,300	(415,539)	1,092	44,553
Unrestricted funds					
General funds	130,958	38,534	(11,608)	(8,024)	149,860
Designated fund: Capital fund	892	-	(2,715)	6,932	5,109
Total unrestricted funds	131,850	38,534	(14,323)	(1,092)	154,969
Total funds	163,550	465,834	(429,862)	-	199,522

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

11. Movements in funds (continued)

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Restricted funds					
Scottish Government:					
Equality Network	-	230,028	(211,018)	-	19,010
Scottish Transgender Alliance	-	125,000	(125,830)	830	-
Intersex Equality	-	29,280	(23,115)	-	6,165
Capital fund	5,486	-	(3,183)	-	2,303
Voluntary Action Fund	180	-	-	(180)	-
National LGBT Hate Crime	-	309	(376)	67	-
Big Lottery Fund: Awards for All Further Out	-	9,503	(3,986)	(1,295)	4,222
Total restricted funds	5,666	394,120	(367,508)	(578)	31,700
Unrestricted funds					
General funds	114,416	26,727	(9,468)	(717)	130,958
Designated fund: Capital fund	24	-	(427)	1,295	892
Total unrestricted funds	114,440	26,727	(9,895)	578	131,850
Total funds	120,106	420,847	(377,403)	-	163,550

Purposes of restricted funds

Equality Network

The aim of the Equality Network project is to create lasting improvement in the situation of LGBTI people in Scotland, through:

- permanently influencing the policy of national and local bodies in Scotland to better deliver LGBTI equality, in a way informed by diverse LGBTI communities across Scotland;
- strengthening and empowering LGBTI communities across Scotland, so that they are both able to offer social support to isolated LGBTI people, and able to engage with public bodies to contribute to improved policy at local and national level;
- providing expert information on LGBTI issues to a wide range of organisations and to the public;
- working to ensure that improvements to the situation of LGBTI people deliver for the full diversity of LGBTI people, by focussing specific work on particularly disadvantaged communities including people with intersectional identities; and
- sharing expertise and good practice on LGBTI equality with other equality and human rights bodies in Scotland, and with bodies in the rest of the UK and Europe.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

11. Movements in funds (continued)

Scottish Transgender Alliance

The aim of the Scottish Transgender Alliance project is to inform, equip and support transgender people, equality organisations, government policy makers and other employers and service providers to engage together to improve gender identity and gender reassignment equality, rights and inclusion in Scotland. The project focuses on building capacity for transgender people's engagement in equality policy and good practice development, as well as improving social attitudes and visible inclusion in Scottish daily and public life. The transfer represents a contribution by the charity toward the project.

Intersex Equality

The aim of the Intersex Equality project is to facilitate intersex people, equality organisations, government policy makers, the NHS and other employers and service providers to engage together to develop a shared understanding of intersex equality, rights and inclusion priorities in Scotland. The project focuses on connecting intersex people with each other and with potential allies in order to build social capital supporting intersex people's engagement in equality policy and good practice development.

Voluntary Action Fund

Funding was provided to support consultation events with three transgender community support groups, being Non-Binary Scotland, Grampian TFolk and Trans Men Scotland. The residual balance was transferred to the General fund in the year.

National LGBT Hate Crime

This project is a unique partnership of LGBT voluntary and community organisation from across England, Wales and Scotland that has come together to tackle and prevent homophobic, biphobic and transphobic (HBT) hate crimes and incidents. Led by lead partner LGBT Consortium, Equality Network is one of thirty three partners involved with the project, which is a service level agreement, required to be shown through restricted funds. The transfer represents a contribution by the charity toward the project.

Further Out

The aim of this project is to provide visibility for diverse LGBTI people living or working in rural and island parts of Scotland, and a platform to bring people together to share experiences and increase understanding. The project aims to achieve this by holding local meetings in rural and island locations, bringing together LGBTI people and allies, and information roadshows in towns across rural and island Scotland, in public venues such as town squares and high streets.

Capital funds

The restricted fund represents the net book value of assets purchased from restricted funds, where the restriction remains in place after purchasing the asset. The designated fund represents the net book value of assets purchased from restricted funds, where the restriction has been met by purchasing the asset, and of assets purchased from general funds.

The transfers to the *Capital funds* represent the purchase of fixed assets.

EQUALITY NETWORK LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

12. Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances as at 31st March 2018				
Tangible fixed assets	-	5,109	248	5,357
Net current assets	149,860	-	44,305	194,165
	<hr/>	<hr/>	<hr/>	<hr/>
	149,860	5,109	44,553	199,522
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances as at 31st March 2017				
	General funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	892	2,303	3,195
Net current assets	130,958	-	29,397	160,355
	<hr/>	<hr/>	<hr/>	<hr/>
	130,958	892	31,700	163,550
	<hr/>	<hr/>	<hr/>	<hr/>

13. Related party transactions

No one individual has control of the charity in either the current or previous years. There were no transactions that require to be disclosed under the Financial Reporting Standard 102.

14. Commitments under operating leases

The following operating lease payments were committed to be paid as at the year-end:

	Buildings 2018 £	Other 2018 £	Buildings 2017 £	Other 2017 £
<u>Operating leases expiring:</u>				
within 1 year	2,250	2,146	2,250	-
1 - 5 years	-	6,437	-	-
	<hr/>	<hr/>	<hr/>	<hr/>