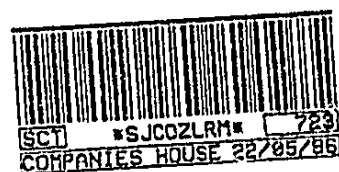


LOTHIAN MARRIAGE COUNSELLING SERVICE

Annual Report and Financial Statements

for the year ended 31st March 1996

25



Lothian Marriage Counselling Service is a company limited
by guarantee, having no share capital

LOTHIAN MARRIAGE COUNSELLING SERVICE

Annual Report and Financial Statements for the year ended 31st March 1996

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Council of Management

Chairman

Reverend John C. Lindsay

Honorary Treasurers

John & Helen Beattie, Beattie Accountants
13 Dudley Terrace, Edinburgh EH6 4QQ

Secretary

Deirdre Bett

Other Council Members

Tom Ballantine
Pat Cook
Russell Forrest
Alison Honeyman
Isobel Lodge
Leonard Mair
Charlotte McEachran
Heien Oliver
Wendy Sheehan
Sheena Stephen
Robin Stewart

Auditors

Scott Oswald, Chartered Accountants
1 Royal Terrace, Edinburgh EH7 5AD

Bankers

Bank of Scotland
38 St Andrew Square, Edinburgh EH2 2YR

Registered Office

9A Dundas Street, Edinburgh EH3 6QG

Registered in Scotland No 110621

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF LOTHIAN MARRIAGE COUNSELLING SERVICE WILL BE HELD AT 9A DUNDAS STREET, EDINBURGH ON 5th JUNE 1996 AT 7.30pm AND THAT THE BUSINESS TO BE BROUGHT BEFORE THE MEETING WILL BE :

1. Statement by the Chairman.
2. To receive and adopt the financial statements for the year ended 31st March 1996.
3. To elect members of the Council of Management.
4. To re-appoint Scott Oswald, Chartered Accountants as auditors and to authorise the Council to fix their remuneration.

By order of the Council of Management

Deirdre Bett
Secretary

Deirdre Bett
1st May 1996

PROXIES

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of him or her. A proxy need not be a member of the company.

LOTHIAN MARRIAGE COUNSELLING SERVICE

Report of the Council of Management

The Council of Management hereby submit their report and audited financial statements for the year ended 31st March 1996.

STATEMENT OF COUNCIL OF MANAGEMENT'S RESPONSIBILITIES

Company law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Status

Lothian Marriage Counselling Service is a company limited by guarantee having no share capital. The service is registered as a charity in Scotland.

Activities

The principal activity of the service is the provision of marital and relationship counselling and related services.

The service also acts as a local information and resource centre for people wishing to extend their knowledge of human relationships.

LOTHIAN MARRIAGE COUNSELLING SERVICE
Report of the Council of Management (continued)

State of Affairs

The surplus of the year as disclosed in the revenue account is £2,056.

Council of Management

The present members of the Council of Management are shown on page 1.

In accordance with the Articles of Association, Patricia Cook, Charlotte McEachran, Leonard Mair and Robin Stewart retire by rotation and being eligible offer themselves for re-election.

Special Exemptions

Advantage has been taken in the preparation of the report of the Council of Management of the special exemptions applicable to small companies conferred by Part II of schedule 8 to the Companies Act 1985.

Approval

The report of the Council of Management was approved by the Council on 1st May 1996 and signed on its behalf by

By order of the Council of Management

.....*Glenn Bell*..... Secretary

**REPORT OF THE AUDITORS TO THE MEMBERS OF
LOTHIAN MARRIAGE COUNSELLING SERVICE**

We have audited the financial statements on pages 6 to 11 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's Council of Management is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

Scott Oswald
SCOTT OSWALD
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
EDINBURGH

Lothian Marriage Counselling Service

Revenue Account For the Year Ended 31st March 1996

	Notes	<u>1996</u>	<u>1995</u>
		£	£
Income			
Grants	2	38,504	37,248
Donations	3	58,933	46,324
Interest		1,455	1,023
Other Income		2,721	1,307
		<u>101,613</u>	<u>85,902</u>
Administration Expenses	4 & 5	61,541	62,761
Disposable Income		<u>40,072</u>	<u>23,141</u>
Utilised thus:			
Provision of Services	7	20,780	15,825
Educational expenses	8	12,236	8,111
		<u>33,016</u>	<u>23,936</u>
Surplus/(Deficit) for the year	13	7,056	(795)
Less: Transfer to Development Fund		5,000	-
Retained Surplus/(Deficit) for the year		<u>2,056</u>	<u>(795)</u>

The company has no recognised gains or losses other than the surplus/(deficit) for the two years ended 31st March, 1996. All operations are continuing.

Lothian Marriage Counselling Service

Balance Sheet as at 31st March 1996

	Notes	<u>1996</u> £	<u>1995</u> £
Fixed Assets			
Tangible Assets	9	<u>150,000</u>	<u>150,000</u>
Current Assets			
Debtors	10	293	207
Stock of Books for resale		915	976
Cash at Bank and in hand		27,253	19,640
Building Society Account		<u>3,267</u>	<u>3,138</u>
		31,728	23,961
Less: Creditors	11	<u>(4,125)</u>	<u>(3,414)</u>
Net Current Assets		<u>27,603</u>	<u>20,547</u>
Net Assets		<u>177,603</u>	<u>170,547</u>
Capital and Reserves			
Capital Reserve	12	164,462	164,462
Other Reserves	13	13,141	6,085
		<u>177,603</u>	<u>170,547</u>

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

The financial statements were approved by the Council of Management on 1st May 1996 and signed on its behalf by:

Chairman
Helen Beattie

Chair

Treasurer

The notes on pages 8 to 11 form part of these financial statements.

Lothian Marriage Counselling Service

Notes to the Financial Statements for the Year Ended 31st March 1996

1 Accounting Policies

Accounting Convention

The financial statements are prepared in compliance with the Companies Act 1985 and under the historic cost convention, modified to include the revaluation of certain fixed assets.

Fixed Assets

Equipment purchased by the charity is written off in the Revenue Account in the year in which it is purchased.

No provision is made for the depreciation of heritable property as the Council of Management is of the opinion that such provision would be inappropriate as the property is maintained in a good state of repair, is increasing in value and has a life expectancy in excess of fifty years.

Grants

Grants of a revenue nature are credited to the Revenue Account in the year in which they accrued.

VAT

The service is not registered for VAT and accordingly expenditure includes VAT where appropriate.

2 Grants Received

	1996	1995
	£	£
Lothian Regional Council - Annual Grant	37,548	36,411
--do-- Supplementary Grant	956	837
	<u>38,504</u>	<u>37,248</u>

3 Donations

	1996	1995
	£	£
Clients' Contributions	49,470	37,177
Group and Publicity work	2,499	1,221
Individual Donations (including Covenants)	1,121	1,889
Donations from Industry and Commerce	3,333	2,087
Cruden Foundation	500	500
Netherdale Trust	750	700
Dickson Minto Charitable Trust	200	-
Other Trusts	1,060	2,750
	<u>58,933</u>	<u>46,324</u>

Lothian Marriage Counselling Service

Notes to the Financial Statements for the Year Ended 31st March 1996

4 Staff Numbers and Costs

The average weekly number of administrative employees of the Service during the year was 7 (1995 - 7).

The aggregate remuneration and associated costs of the Service were:-

	1996	1995
	£	£
Wages and Salaries	38,360	37,848
Social Security	2,483	2,086
Pension	927	856
	<u>41,770</u>	<u>40,790</u>

5 Administration Expenses

	1996	1995
	£	£
Rates and Insurance	2,764	2,631
Heat and Light	2,339	2,488
Repairs and Renewals	3,459	8,980
Cleaning	<u>1,281</u>	<u>1,226</u>
	9,843	15,325
Salaries, Wages & National Insurance (note 4)	41,770	40,790
Hon. Treasurers' honorarium	500	500
Printing and Stationery	2,145	1,359
Telephone and Postage	2,154	2,521
General Expenses	1,240	1,122
Office Equipment	2,812	-
Report and AGM	483	527
Audit Fee	<u>594</u>	<u>617</u>
	<u>61,541</u>	<u>62,761</u>

6 Taxation

The Service is recognised by the Inland Revenue as a charity and is not liable to Corporation Tax on the surplus for the year.

7 Provision of Services

Counselling

	1996	1995
	£	£
Payments to Counsellors	18,950	15,350
Telephone Helpline Costs	998	-
Travelling expenses	456	413
Advertising	376	62
	<u>20,780</u>	<u>15,825</u>

8 Educational expenses

	1996	1995
	£	£
Counsellors' Training and Supervision Costs	10,860	3,449
Bookstall, Library and Journals	2,534	1,879
Less: Sales	(1,598)	(1,623)
Fees to Marriage Counselling Scotland	440	4,406
	<u>12,236</u>	<u>8,111</u>

9 Tangible Assets

Heritable Property was revalued on 30th March 1989 by a firm of Chartered Surveyors at an open market value of £150,000.

10 Debtors

	1996	1995
	£	£
Other debtors	<u>293</u>	<u>207</u>

11 Creditors : amounts falling due within one year

	1996	1995
	£	£
Other creditors	3,075	2,481
Other taxes and social security costs	1,050	933
	<u>4,125</u>	<u>3,414</u>

12 Capital Reserve

The company has no share capital and is limited by the guarantee of 36 members to a maximum of £10 each.

	1996	1995
	£	£
Property at valuation (note 9)	150,000	150,000
Capital accrued prior to incorporation	14,462	14,462
	<u>164,462</u>	<u>164,462</u>

13 Other Reserves

	<u>General</u> <u>Fund</u> £	<u>Building</u> <u>Fund</u> £	<u>Development</u> <u>Reserve</u> £	<u>Total</u> £
At the beginning of the year	3,985	2,100		6,085
Surplus For The Year	7,056			7,056
Transferred during year	(5,000)		5,000	
At the end of the year	6,041	2,100	5,000	13,141