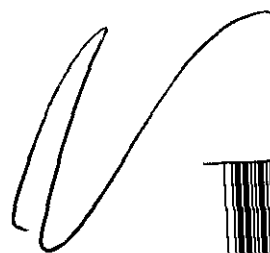


COUPLE COUNSELLING LOTHIAN

**Annual Report and Financial Statements
for the year ended 31st March 2001**

110621



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

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

Annual Report and Financial Statements
for the year ended 31st March 2001

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Council of Management

Chairman

Wendy Sheehan

Other Council Members

Thomas Ballantine

Helen Bell (formerly Oliver)

David Christie

Jeremy Devlin-Thorp

Alasdair Ferguson

Alison Honeyman

Jane Langridge-Smith (retired 29/11/00)

Reverend Canon John C Lindsay

Isobel Lodge

Charlotte McEachran

Lorna Stoddart (retired 29/11/00)

Honoray Treasurers

John & Helen Beattie

Secretary

Deirdre Bett

Auditors

Scott Oswald, Chartered Accountants

1 Royal Terrace,

Edinburgh EH7 5AD

Solicitors

Fyfe Ireland WS

Orchard Brae House,

30 Queensferry Road

Edinburgh EH4 2HG

Bankers

Bank of Scotland

38 St Andrew Square, Edinburgh EH2 2YR

Registered Office

9A Dundas Street, Edinburgh EH3 6QG

Registered in Scotland No 110621

Scottish Charity Number SC011989

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF COUPLE COUNSELLING LOTHIAN WILL BE HELD AT 9A DUNDAS STREET, EDINBURGH ON 21st JUNE 2001 AT 7.00PM 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 2000
3. To elect members of the Council of Management.
4. To appoint auditors and to authorise the Council to fix their remuneration.

By order of the Council of Management



Deirdre Bett
Secretary
30th May 2001

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.

COUPLE COUNSELLING LoTHIAN
(A Company Limited by Guarantee)

Report of the Council of Management

The Council of Management hereby submit their report and audited financial statements for the year ended 31st March 2001.

Status

Couple Counselling Lothian is a company limited by guarantee having no share capital and is governed by a Memorandum and Articles of Association dated 15th April 1988 and amended by Special Resolution on 19th May 1988 and 22nd February 1990. The name of the service was changed from Lothian Marriage Counselling Service to Couple Counselling Lothian by Special Resolution dated 6th October 1999. The service is registered as a charity in Scotland.

Activities

The objectives of Couple Counselling Lothian are to -

- provide, develop and co-ordinate a confidential counselling service in Edinburgh, West Lothian, Midlothian and East Lothian for people – regardless of race, religion, marital status or sexual orientation – who have difficulties and anxieties in their marriage or other intimate, personal relationships. These include individuals and couples troubled with emotional or sexual difficulties, those who are experiencing difficulties in contemplating a permanent relationship and those who are experiencing the end of a marriage or relationship and its after effects, whether through bereavement, separation or divorce;
- act as a local information, educational and resource centre for individuals and groups wishing to enhance their understanding of marriage and other intimate personal relationships.

Couple Counselling Lothian achieves these objectives by:

- ensuring that voluntary and paid counsellors and voluntary receptionists are recruited, trained and supervised appropriately;
- providing accommodation, timetabling and administrative support for the counselling and related services which are undertaken;
- responding to written and telephone enquiries about the work of the service;
- giving talks and running groups for students and others on relationship issues;
- maintaining and selling a range of books related to the work of the service

Review of the Year

A detailed description of the developments that have taken place in the work of the Company over the last year is contained within the 53rd Annual Report. Brief highlights are as follows:

- offering c.6250 interviews to clients;
- running 2 Surviving the Break-Up groups;
- introducing a New Beginnings course;
- maintaining a counselling service in four community health centres;
- reviewing the work of the service by establishing Working Groups to examine: Payment for Counselling and Related Issues; Working in the Community; The Psycho-Sexual Therapy Service and Education and Working with Young People (EWYP);
- continuing the work of the EWYP group

The general fund surplus for the year as shown in the Income and Expenditure Account was £4415 (2000 – surplus of £1653).

Council of Management

The Articles of Association states that the business of the company shall be managed by a Council of Management.

The Council will consist of not fewer than 5 and not more than 12 members. The Council may appoint any member to fill either a casual or permanent vacancy in its number provided the prescribed maximum is not exceeded.

Any member so appointed shall retain office until the next Annual General Meeting at which point they will be eligible for re-election. No person who is not a member of the Company shall be eligible to hold office as a member of the Council.

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

In accordance with the Articles of Association, Helen Bell and John Lindsay are retiring by rotation and do not wish to stand for re-election. Tom Ballantine is retiring.

Jane Langridge-Smith and Lorna Stoddart retired in November 2000.

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 surplus or deficit of the company for that period. In preparing those financial statements, the Council of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

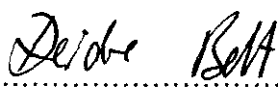
Special Exemptions

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 VII to the Companies Act 1985.

Approval

The report of the Council of Management was approved and signed by the Council on 30th May 2001 on its behalf.

By order of the Council of Management


.....Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF COUPLE COUNSELLING LOTHIAN

We have audited the financial statements on pages 7 to 13 which have been prepared under the historical cost convention as modified by the revaluation of heritable property and on the basis of the accounting policies set out on pages 10 and 11.

RESPECTIVE RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT AND AUDITORS

As described on pages 4 and 5, 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.

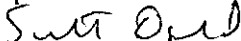
BASIS OF OPINION

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 judgments made by the Council of Management 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 2001 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SCOTT OSWALD

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

EDINBURGH

30th May 2001

Couple Counselling Lothian
(A Company Limited by Guarantee)
Income And Expenditure Account

For the Year Ended 31 March 2001

	Notes	<u>2001</u> £	<u>2000</u> £
Income			
Grants	2	24,268	24,076
Donations	3	104,790	100,862
Interest		1,444	1,034
Other Income		970	1,297
		<u>131,472</u>	<u>127,269</u>
Administration Expenses	5	<u>76,228</u>	<u>72,219</u>
Disposable Income		<u>55,244</u>	<u>55,050</u>
Utilised thus:			
Direct Charitable Expenses			
Provision of Services	7	39,518	40,575
Educational expenses	8	12,311	12,822
		<u>51,829</u>	<u>53,397</u>
Surplus for the year		3,415	1,653
Appropriations from other funds:			
From HYPAS Reserve		1,000	-
General Fund Surplus for the year		<u>£ 4,415</u>	<u>£ 1,653</u>

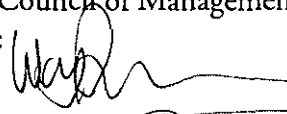
The company has no recognised gains or losses other than the surpluses for the years ended 31st March, 2001 and 31st March, 2000.
All operations are continuing.

Couple Counselling Lothian
(A Company Limited by Guarantee)
Balance Sheet as at 31 March 2001

	Notes	<u>2001</u> £	<u>2000</u> £
Fixed Assets			
Tangible Assets	9	<u>175,000</u>	<u>175,000</u>
Current Assets			
Debtors	10	3,434	5,829
Stock of Books for resale		526	400
Cash at Bank and in hand		<u>29,035</u>	<u>22,124</u>
		<u>32,995</u>	<u>28,353</u>
Less: Creditors: Amounts falling due within one year	11	<u>(5,331)</u>	<u>(4,104)</u>
Net Current Assets		<u>27,664</u>	<u>24,249</u>
Net Assets		<u>£ 202,664</u>	<u>£ 199,249</u>
Capital and Reserves			
Capital Reserve	13	189,462	189,462
Other Reserves	14	13,202	9,787
		<u>£ 202,664</u>	<u>£ 199,249</u>

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part VII of 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
and signed on its behalf on 30th May, 2001 by:

 Chair
 Treasurer

The notes on pages 10 to 13 form part of these financial statements.

Couple Counselling Lothian
(A Company Limited by Guarantee)
Statement of Financial Activities
For the Year Ended 31 March 2001

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Funds</u> <u>2001</u> £	<u>Total</u> <u>Funds</u> <u>2000</u> £
Income					
Grants	2	24,268	-	24,268	24,076
Donations	3	104,790	-	104,790	100,862
Interest		1,444	-	1,444	1,034
Other Income		970	-	970	1,297
		131,472	-	131,472	127,269
Administration Expenses	5	76,228	-	76,228	72,219
Disposable Income		55,244	-	55,244	55,050
Utilised Thus:					
Direct Charitable Expenses					
Provision of Services	7	39,518	-	39,518	40,575
Educational Expenses	8	12,311	-	12,311	12,822
		51,829	-	51,829	53,397
Surplus for year		3,415	-	3,415	1,653
Transfer of funds		1,000	(1,000)	-	-
Net movements in funds		4,415	(1,000)	3,415	1,653
Total funds brought forward		8,787	190,462	199,249	197,596
Total funds carried forward		13,202	189,462	202,664	199,249

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 heritable property. The requirements of the Statement of Recommended Practice - Accounting for Charities have also been incorporated.

Donations and Other Forms of Voluntary Income

Monies received in the form of donations and other voluntary income are credited to the Income and Expenditure Account when received by the company.

Grants Received

Grants are credited to the Income and Expenditure Account in the year in which they are received.

Expense Allocation

The charitable expenses of the company are split between the provision of counselling services and educational expenses.

The expenses allocated to the provision of counselling services include all payments made to counsellors for work carried out in addition to their voluntary work together with all travelling, advertising and other expenses which can be directly attributed to that work. These costs are analysed in Note 7.

The expenses allocated to educational expenses include all training and supervision of counsellors together with the costs directly attributable to the provision of a bookstall and library to enhance the work of the company. The allocation also includes subscriptions to related professional bodies. These costs are analysed in Note 8.

All other expenditure, which cannot be directly attributed to these categories, is shown as part of the administrative expenses. These costs are analysed in Note 5.

The practice of providing an honorarium to the Treasurers was discontinued in 1996 and all sums paid for services rendered in that capacity are included in the wages and salaries shown in Note 4.

Fixed Assets

All equipment bought by the company is written off in the Income and Expenditure 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. The heritable property was revalued on 13th March, 1997 by Shepherd & Co., Chartered Surveyors on an open market basis at £175,000. The Council of Management are of the opinion that the current market value of the property is at least this value.

Couple Counselling Lothian
(A Company Limited by Guarantee)
Notes to the Financial Statements for the Year
Ended 31 March 2001

1 Accounting Policies (Continued)

Stocks

The books for resale are valued at the lower of cost and net realisable value.

VAT

The company is not registered for VAT and accordingly expenditure includes a VAT element where appropriate.

2 Grants Received

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
City of Edinburgh	16,416	16,416
West Lothian Council	7,852	7,660
	<u>24,268</u>	<u>24,076</u>

3 Donations

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Clients' Contributions	77,220	78,393
Group and Publicity work	2,174	1,272
Friends of Couple Counselling	2,732	971
Individual Donations (including Covenants)	1,394	2,446
Donation from Bank of Scotland	1,000	1,100
Lloyds/TSB Foundation	7,520	7,500
	-	-
The Robertson Trust	3,000	3,000
The Tudor Trust	4,400	3,000
Scottish Business Achievement Award Trust	2,500	-
The William Thyne Trust	1,250	1,000
Cruden Foundation	500	500
Netherdale Trust	500	500
Dickson Minto Charitable Trust	500	500
Penpont Trust	-	600
Other Trusts	100	80
	<u>104,790</u>	<u>100,862</u>

4 Staff Numbers and Costs

The average weekly number of administrative employees of the Service during the year was 7 (2000 - 6).

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

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Wages and Salaries	52,703	49,341
Social Security	3,110	2,990
Pension	1,518	1,517
	<u>57,331</u>	<u>53,848</u>

Couple Counselling Lothian
(A Company Limited by Guarantee)
Notes to the Financial Statements for the Year
Ended 31 March 2001

Council Members' Remuneration and Expenses

No remuneration was paid to any of the Committee members during the year (2000 : Nil)

No expenses were reimbursed to any of those members in the year (2000 : Nil)

5 Administration Expenses

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Rates and Insurance	3,663	3,685
Heat and Light	2,318	1,494
Repairs and Renewals	935	2,271
Cleaning	1,593	1,349
	8,509	8,799
Salaries, Wages & National Insurance (note 4)	57,331	53,848
Printing and Stationery	2,008	2,308
Telephone and Postage	2,823	3,051
General Expenses	2,155	1,712
Office Equipment	2,203	417
Report and AGM	-	968
Audit Fee	1,199	1,116
	76,228	72,219

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

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Payments to Counsellors	35,148	35,742
Public Liability Insurance	204	221
Travelling expenses	461	634
Advertising & Publicity	3,705	3,978
	39,518	40,575

8 Educational expenses

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Counsellors' Training and Supervision Costs	13,588	23,270
Less: Contributions by trainees	(2,200)	(11,250)
Bookstall, Library and Journals	1,422	1,189
Less: Sales	(879)	(787)
Fees to Couple Counselling Scotland	380	400
	12,311	12,822

Couple Counselling Lothian
(A Company Limited by Guarantee)
Notes to the Financial Statements for the Year
Ended 31 March 2001

9 Tangible Assets

The heritable property was revalued on 13 March, 1997 by Shepherd & Co., Chartered Surveyors on an open market basis at £175,000.

10 Debtors

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Taxation recoverable from Deeds of Covenants	237	500
Payments made in advance	3,197	5,329
	<u>3,434</u>	<u>5,829</u>

11 Creditors : Amounts falling due within one year

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Accruals	1,975	2,506
Other taxes and social security costs	974	1,326
Income Received in Advance	2,382	272
	<u>5,331</u>	<u>3,693</u>

12 Membership

The company has no share capital and is limited by the guarantee of 35 members to a maximum of £10 each.

13 Capital Reserve

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Property at valuation 13 March, 1997	175,000	175,000
Capital Accrued prior to incorporation	14,462	14,462
	<u>189,462</u>	<u>189,462</u>

The Capital Reserve represents the value of the property held by the company, together with the surpluses accumulated by the company from its instigation in June 1946, until its incorporation.

14 Other Reserves

	<u>General</u>	<u>HYPAS</u>	
	<u>Fund</u>	<u>Reserve</u>	<u>Total</u>
	<u>£</u>		<u>£</u>
At 1 April, 2000	8,787	1,000	9,787
Surplus For The Year	3,415		3,415
Transfer from Reserve	1,000	(1,000)	-
At 31 March, 2001	<u>13,202</u>	<u>0</u>	<u>13,202</u>

The HYPAS Reserve represented a donation received on 5:2:99 at launch of the the Relateen Report. During the year it was used to fund training of counsellors and delivery of an education programme to schools.