

COUPLE COUNSELLING LOTHIAN
(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 March 2004

SC 110621



COUPLE COUNSELLING LOTHIAN
(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 March 2004

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Council of Management

Wendy A Sheehan (Chair)

Other Council Members

David Christie (retired 26/6/03)

Gary Clapton

James Cook (appointed 28/1/04)

Jeremy Devlin-Thorp

Alasdair Ferguson

Hely Henney (appointed 26/6/03)

Alison Honeyman (retired 26/6/03)

Susie Jackson

Gillian Chariton-Meyrick (appointed 26/6/03)

Anne McFarlane (Callander)

Jane Mackie

Sadia Shinwari

Jonathan Tweedie (appointed 26/6/03)

Honorary Treasurers

John and Helen Beattie

Company Secretary

Deirdre Bett

Auditors

Scott Moncrieff,
17 Melville Street
Edinburgh
EH3 7PH

Bankers

Bank of Scotland
38 St Andrew Square
Edinburgh
EH2 2YR

Solicitors

Fyfe Ireland WS
Orchard Brae House
30 Queensferry Road
Edinburgh
EH4 2HG

Registered Office

9A Dundas Street
Edinburgh
EH3 6QG

Registered in Scotland: No 110621
Scottish Charity Number: SCO 11989

COUPLE COUNSELLING LOTHIAN
(a company limited by guarantee)

Report of Council of Management

For the year ended 31 March 2004

The Council of Management has pleasure in presenting its report for the year ended 31st March 2004. This report is prepared in accordance with the Memorandum and Articles and recommendations of *Statement of Recommended Practice – Accounting and Reporting by Charities* and complies with applicable law.

Constitution

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 March 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.

Objectives

The objectives of Couple Counselling Lothian are to-

- provide, develop and co-ordinate a confidential counselling and psycho-sexual 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;
- provide and develop a range of allied services which would enable people to maintain and foster good relationships.

There have been no changes in the objectives since the last annual report.

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 no 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 members 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.

Review of Activities

A detailed description of the activities which have taken place in the work of the Company is contained in the 56th Annual Review. Brief highlights are as follows:

- offering 5608 counselling appointments from Dundas Street and 636 counselling appointments from 4 community-based centres;
- delivering 28 Education Packages in 4 schools;
- maintaining a Family Therapy service which has worked with 32 families;
- launching, in October 2003, 11-18@CCL, a counselling service for young people which has worked with 18 referrals;
- setting up two groups to review the strategic, operational and financial aspects of the service

COUPLE COUNSELLING LOTHIAN
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Report of Council of Management

For the year ended 31 March 2004

Reserves policy

The Directors have identified a minimum reserve requirement of c.£40,000 in order to be able to meet commitments as they fall due. Actual reserves at 31st March 2004 were £17,452. The Directors have taken steps to reach the minimum requirement in the short to medium term.

Financial Information

The main activities of the charity are funded by grants from local authorities, trusts and donations from clients complemented by fund raising activities. There was a deficit of £6,490 during the year.

The two reserves set up to continue the Education in Schools project and the Counselling Young People Project have been depleted to £2,567.

During the next year the Directors will put in place a fund-raising strategy to enable CCL to:

- maintain its current activities
- implement the strategic and operational plans which are to be proposed to the Company's Annual General Meeting.

Risk Management

The Council of Management has assessed the major risks to which the charity is exposed, in particular those related to the operations and financing of the Company, and are satisfied that systems are in place to mitigate exposure to the major risks.

Taxation

The Company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of its income.

Council of Management responsibilities

Charity law requires the company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the surplus or deficit of the trust 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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 them to ensure that the financial statements comply with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Account (Scotland) Regulations 1992. They are 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.

COUPLE COUNSELLING LOTHIAN
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Report of Council of Management

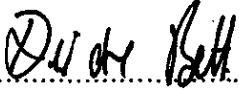
For the year ended 31 March 2004

Auditors

A resolution to re-appoint Scott-Moncrieff Chartered Accountants as auditors will be put to the members at the annual general meeting.

By order of the Council of Management.

8th June 2004


.....Secretary
Deirdre Bett

Couple Counselling Lothian

Independent Auditors' Report to the members

For the year ended 31 March 2004

We have audited the financial statements of Couple Counselling Lothian for the year ended 31 March 2004 set out on pages 6 to 9. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of council members and auditors

As described in the Statement of Council of Management's Responsibilities the charitable company's Council of Management is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Council of Management's report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Council of Management's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 charitable 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 charitable company's affairs as at 31 March 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Scott-Moncrieff

SCOTT-MONCRIEFF

Chartered Accountants and Registered Auditor

17 Melville Street

Edinburgh

EH3 7PH

8-6-2004

COUPLE COUNSELLING LOTHIAN
(a company limited by guarantee)

**Income and Expenditure Account and
Statement of Financial Activities**

For the year ended 31 March 2004

	Notes	Unrestricted Funds £	Restricted Funds £	Capital Reserve £	2004 Total £	2003 Total £
Incoming resources						
Donations and legacies		110,203	625	-	110,828	120,584
Incoming resources from the operating of the charity						
- in furtherance of the objectives		25,756	-	-	25,756	25,211
Investment income		1,046	-	-	1,046	1,120
Other incoming resources		4,260	1,067	-	5,327	2,589
Total incoming resources		141,265	1,692	-	142,957	149,504
Resources expended						
Costs of generating funds		14,217	610	-	14,827	14,341
Charitable expenditure						
- activities in furtherance of the charity's objects	3	113,733	4,885	-	118,618	114,726
-management and administration	3	15,392	610	-	16,002	15,515
Total resources expended		143,342	6,105	-	149,447	144,582
Net incoming resources		(2,077)	(4,413)	-	(6,490)	4,922
Revaluation of property		-	-	175,000	175,000	-
Total funds brought forward		19,529	6,980	189,462	215,971	211,049
Total funds carried forward		17,452	2,567	364,462	384,481	215,971

All the results relate to continuing activities

The notes on page 8 and 9 form part of these accounts

COUPLE COUNSELLING LOTHIAN
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Balance Sheet

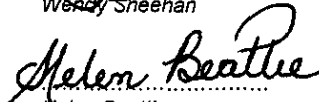
As at 31 March 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	4	350,000	175,000
Current assets			
Stocks		304	335
Debtors	5	7,468	5,155
Cash at bank and in hand		34,053	39,520
		<u>41,825</u>	<u>45,010</u>
Creditors :			
amounts falling due within one year		<u>7,344</u>	<u>4,039</u>
Net current assets		34,481	40,971
Net assets		<u>384,481</u>	<u>215,971</u>
Funds			
Unrestricted funds		17,452	19,529
Restricted funds	7	2,567	6,980
Capital reserve		364,462	189,462
		<u>384,481</u>	<u>215,971</u>

The financial statements were approved by the Council of Management on and signed on their behalf by


Wendy Sheehan

Chair


Helen Beattie

Treasurer

The notes on page 8 and 9 form part of these accounts

COUPLE COUNSELLING LOTHIAN
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Notes to the Financial Activities

For the year ended 31 March 2004

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the revaluation of fixed assets, and are in accordance with applicable accounting standards in the United Kingdom with the Companies Act 1985, Charities Accounts (Scotland) Regulations 1992 and Statement of Recommended Practice - accounting and Reporting by Charities (SORP 2000)

Fixed assets

The fixed asset was revalued by Montagu Evans on 16 January 2004 and the valuation of £350,000 has been incorporated in the balance sheet.

Depreciation

No depreciation has been provided on the heritable property as in the opinion of the Council of Management the residual value of the property will be greater than the valuation at 16 January 2004 and therefore any depreciation charge would be immaterial.

Stock

Stock is stated at the lower of cost and net realisable value.

Grant income

Grant income is credited in the year to which it relates.

Donations

Donations are credited in the year in which they are receivable.

Pensions

Pension contributions are made to an approved pension scheme. These are charged in the year in which they are incurred.

VAT

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

Allocation of expenditure

Wherever possible, expenses are attributed directly to the category to which they relate. Where this is not possible, expenses are allocated on the basis of time spent by staff on each activity.

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Notes to the Financial Activities - continued

For the year ended 31 March 2004

2. Staff numbers and costs

	2004	2003
	£	£
Wages and salaries	102,191	97,445
Social security costs	4,101	3,680
Pension costs	1,517	1,517
	<u>107,809</u>	<u>102,642</u>
	Number	Number
The average weekly number of employees during the period was:-		
Administration staff	4	4
Counselling staff	4	4
	<u>8</u>	<u>8</u>

There were no employees with emoluments above £50,000.

None of the council members received any remuneration or reimbursement of expenses during the year.

3 Allocation of expenditure

	Cost of generating funds	Charitable activities	Management and administration	Total 2004
	£	£	£	£
Staff costs	10,781	86,247	10,781	107,809
Property costs	1,109	8,878	1,109	11,096
Administrative costs	2,937	23,493	4,112	30,542
	<u>14,827</u>	<u>118,618</u>	<u>16,002</u>	<u>149,447</u>
2003	<u>14,341</u>	<u>114,726</u>	<u>15,515</u>	<u>144,582</u>

	2004	2003
	£	£
Expenditure included the following:		
Auditors' remuneration in respect of audit services	<u>1,175</u>	<u>1,175</u>

4. Tangible assets

The heritable property was revalued on 16 January 2004 by Montagu Evans, Chartered Surveyors on an open market basis at £350,000.

5. Debtors

	2004	2003
	£	£
Other debtors	2,020	610
Accrued income	5,448	4,545
	<u>7,468</u>	<u>5,155</u>

6. Creditors: Amounts falling due within one year

	2,004	2,003
	£	£
Other taxes and social security	3,976	3,536
Accruals	3,368	503
	<u>7,344</u>	<u>4,039</u>

7. Restricted Funds

	Balance at 31 Mar 03	Incoming Resources	Resources Expended	Balance at 1 Apr 2004
Education in Schools	2,240	625	1,145	1,720
Counselling Young People	4,740	1,067	4,960	847
	<u>6,980</u>	<u>1,692</u>	<u>6,105</u>	<u>2,567</u>

8. Analysis of net assets among funds

	Unrestricted Funds	Restricted Funds	Capital Fund	2004 Total	2003 Total
Fixed assets	-	-	350,000	350,000	175,000
Net current assets	17,452	2,567	14,462	34,481	40,971
	<u>17,452</u>	<u>2,567</u>	<u>364,462</u>	<u>384,481</u>	<u>215,971</u>