

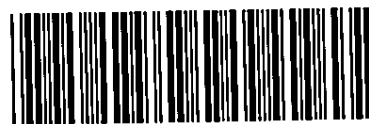
Charity Number: SC011989
Company Number: SC110621

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2011

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COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2011

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COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT of the COUNCIL of MANAGEMENT

For the year ended 31 March 2011

Reference and Administrative Information

Charity Name:	Couple Counselling Lothian
Charity registration number:	SC011989
Company registration number:	SC110621
Registered Office and operational address:	9a Dundas Street Edinburgh EH3 6QG

Management Committee

James Needham – Chair
Rosalind Brooke
Margery Browning
Gillian Gray
Craig McDevitt (resigned 23 March 2011)
Jacqueline McRae
Gerard Rooney
Ian Smith (resigned 26 May 2011)

Secretary / Chief Executive

Jane Symon

Auditor

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

Bankers

Bank of Scotland
38 St Andrew Square
Edinburgh
EH2 2YR

Solicitors

Fyfe Ireland LLP (Resigned during 2010)
32 Charlotte Square
Edinburgh
EH2 4ET

Peninsula Business Services Ltd.,
Riverside,
New Bailey Street,
Manchester,
M35PB

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUNCIL of MANAGEMENT (Contd.)

For the year ended 31 March 2011

The Council of Management presents its report along with the financial statements of the charitable company for the year to 31 March 2011. The financial statements have been prepared in accordance with the Memorandum and Articles of Association and the recommendations of the Statement of Recommended Practice Accounting and Reporting by Charities and comply with applicable law.

Structure, Governance and Management

Couple Counselling Lothian is a company limited by guarantee having no share capital and is governed by a Memorandum and Articles of Association dated 15 April 1988 and amended by Special Resolution on 19 May 1988, 22 February 1990 and 23 February 2011. The service is registered as a charity in Scotland.

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

Recruitment and Appointment of the Council of Management

The Council of Management consists 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 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.

Trustee Induction and Training

New members to the Council of Management are given a job description and trustee induction.

Risk management

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

Organisational structure

During 2010/11 there was a part time Chief Executive, Jane Symon (appointed April 2010), who was supported by a full time Practice Manager, Tim McConville (appointed June 2010). In order to cover the opening times at Dundas Street, from 9am to 9pm four days a week and from 9am to 5pm on Friday and from 10 am to 1pm on Saturdays there are 3 part time receptionists and a part time Office Manager.

At 31 March 2011 there were 18 paid counsellors/therapists, 2 volunteer counsellors and 12 student/placements including 1 art therapist, 4 volunteers and 11 paid supervisors.

Objectives and Activities

Couple Counselling Lothian is committed to providing a range of high quality professional therapeutic and educational services for adults, children and young people and their wider families who are experiencing relationship difficulties. It provides these services regardless of race, religion, gender and ability to pay.

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUNCIL of MANAGEMENT (Contd.)

For the year ended 31 March 2011

Objectives and Activities - continued

Key objectives:

- Maintain and enhance the quality and professionalism of our services
- Ensure all CCL services meet clients' demands within an acceptable timescale
- Maintain and develop existing services and delivery methods
- Ensure adequate funding for core services and seek funding to develop new services
- Increase social inclusion of services throughout Lothian

Supporting objectives:

- Continue to support staff, recognising the important role they play within the agency
- Continue to support volunteers

Opportunity objectives:

- Seek links with partners/agencies

These objectives were reviewed at a strategy meeting on the 8 June 2011 with the Board and the Lloyds TSB consultant and are still deemed to be appropriate.

Achievements and performance

Our counsellors have continued to offer a range of professional counselling services to couples and individuals who seek help in dealing with difficulties in their relationships. The number of appointments offered in 2010/11 was 6,037, a slight decrease of 58 from the previous year (6,095). The number of client sessions given in 2010/11 increased from 4,782 to 4,810 (an increase of 28). The number of counselling sessions provided reflects the demands from families in Lothian experiencing relationship difficulties as a result of the current financial climate. In addition, CCL has received increased referrals from Health and Social Work, primarily due to our work in the area of domestic abuse and the other specialist services we provide, namely children's counselling, sexual relationship therapy and family therapy. CCL has been able to meet this continuing demand for counselling by attracting highly motivated and professional placements and trainee counsellors and therapists from major universities in Scotland and from Relationships Scotland.

Donations and gift aid decreased slightly in 2010/11 from £155,433 to £150,621. The decrease resulted from low contributions per session in the first half of the year. Following a review of referral and intake procedures, the donation levels increased in the second half of the year.

Activities that have taken place in 2010/11 to meet the key objectives include:

- Working proactively with external agencies where issues have been identified around domestic abuse, especially where children and young people are involved and setting up a pilot programme to work with families where low or medium risk of domestic abuse recurring has been identified. We have been awarded funding from the Volant Trust to work with Young people affected by domestic abuse.
- The Young Persons Counsellor/Development Worker has delivered workshops on positive relationships and awareness about domestic abuse to 459 pupils in 3 East Lothian high schools, successfully completing the Fairer East Lothian funded project. This work is continuing and is funded by the Volant Trust.
- Revised Counsellors and Administration Handbooks and CCL policies and procedures, in line with COSCA requirements for accreditation and issued these to all counsellors and staff.
- In response to increased demand for our Family Therapy service, we are developing the service and seeking funding for further development.

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUNCIL of MANAGEMENT (Contd.)

For the year ended 31 March 2011

Achievements and performance - continued

- Continued to develop CCL's statistical reporting . The new electronic appointment system was implemented in September 2010.
- Secured funding for Capacity Building from Lloyds TSB in April 2011.
- New referral and intake procedures implemented in April 2011.
- In April 2011 CCL took up membership of Relationships Scotland.
- Implemented support and training for placements and trainees.
- COSCA accreditation granted September 2011.

Financial review

In the year to 31 March 2011, income was £233,095 (2010: £213,760) and expenditure was £230,471 (2010: £218,838). Income increased due to the contribution from East Lothian council towards the successful completion of the Fairer East Lothian project. Unrestricted reserves increased during the year by £2,624 to £16,840.

The Directors of the Council of Management continue to focus on increasing free reserves. The organisation's investment in new counsellors is ongoing. There was a small increase in counsellors hours in 2010/11, and a review of referral and intake procedures resulted in increased client contributions in the second half of the year. The Directors continue to look carefully at cost efficiencies in order to increase the 'free' reserves and to work hard at attracting additional external funding to support its activities, coupled with maximising the number of counselling hours offered and client contributions received.

Principal funding sources

We would like to thank the following for their generous financial support:

The Binks Trust, City of Edinburgh Council, Dedridge Medical Group, Penpont Charitable Trust, The Volant Trust, Lloyds TSB, West Lothian Council and East Lothian Council, as well as the many clients and anonymous donors whose contributions have helped us maintain our services.

Reserves policy

The Directors are responsible for ensuring that, in the event the organisation was to discontinue, there would be enough funds available to meet their contractual obligations, including running costs for three months. The actual, unrestricted 'free' reserves at 31 March 2011 are £16,840 but the Directors have estimated that, if CCL was to discontinue, the amount required would be approximately £30,000. The Directors' objective is to increase the level of free reserves during the coming year.

Responsibilities of the Council of Management

The Council of Management (who are also directors of Couple Counselling Lothian for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

REPORT of the COUNCIL of MANAGEMENT (Contd.)

For the year ended 31 March 2011

Responsibilities of the Council of Management (Contd.)

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 the affairs of the charitable company and of its incoming resources and application of resources, including the net income and expenditure, for the financial year. In preparing those financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Council of Management is responsible for keeping adequate accounting records, that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements, comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The applicable law also sets out the Council of Management's responsibilities for the preparation and content of the Report of the Council of Management.

The Council of Management is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council of Management are aware:

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

Members of the Council of Management

Members of the Council of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2.

Auditor

A resolution to re-appoint Chiene + Tait, Chartered Accountants, will be proposed at the Annual General Meeting.

Approved by the Council of Management on 6/9/ 2011 and signed on its behalf by



JANE SYMON
Company Secretary

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF MANAGEMENT
AND MEMBERS OF COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**



We have audited the financial statements of Couple Counselling Lothian for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's Council of Management, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's Council of Management 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 charity, its members as a body and its Council of Management as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Responsibilities of Council of Management Statement set out on pages 4 and 5, the Council of Management (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council of Management; and the overall presentation of the financial statements.

Opinion on financial statements

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Council of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF MANAGEMENT
AND MEMBERS OF COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**



Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Malcolm Beveridge

Malcolm Beveridge BA CA (Senior Statutory Auditor)

For and on behalf of

CHIENE + TAIT

Chartered Accountants and Statutory Auditor

61 Dublin Street

Edinburgh, EH3 6NL

13 October 2011

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

STATEMENT of FINANCIAL ACTIVITIES

For the year ended 31 March 2011

	Notes	Capital Reserve £	Un- Restricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Donations and grants	2	-	154,451	-	154,451	159,034
Incoming resources from charitable activities						
Grants	3	-	26,968	50,065	77,033	53,687
Other		-	1,611	-	1,611	1,039
Total incoming resources		-	183,030	50,065	233,095	213,760
Resources expended						
Charitable activities	4	-	178,306	50,065	228,371	216,340
Governance costs		-	2,100	-	2,100	2,498
Total resources expended		-	180,406	50,065	230,471	218,838
Net incoming/(outgoing) resources before transfers		-	2,624	-	2,624	(5,078)
Gross transfers between funds		-	-	-	-	-
Net movement in funds		-	2,624	-	2,624	(5,078)
Total funds brought forward		350,000	14,216	-	364,216	369,294
Total funds carried forward	12	350,000	16,840	-	366,840	364,216

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 10 to 14 form part of these financial statements.

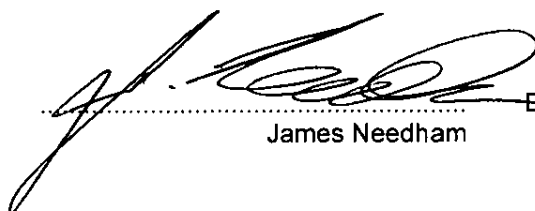
COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

BALANCE SHEET

For the year ended 31 March 2011

	Notes	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		350,000		350,000
Current assets					
Stock		183		292	
Debtors	9	11,231		8,585	
Cash at bank and in hand		17,193		39,864	
		28,607		48,741	
Creditors: amounts falling due within one year	10	(11,767)		(34,525)	
Net current assets			16,840		14,216
Net assets			366,840		364,216
			=====		=====
Funds	12				
Unrestricted funds					
Capital reserve		350,000		350,000	
General funds		16,840		14,216	
			366,840		364,216
Restricted funds			-		-
			366,840		364,216
			=====		=====

Authorised for issue by the Council of Management on 28/09/ 2011 and signed on its behalf by:


..... Director
James Needham

Company No: SC110621

The notes on pages 10 to 14 form part of these financial statements.

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2011

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a capital reserve representing the valuation of fixed assets.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial activities (SoFA) when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

- Charitable 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where this is not possible, expenses are allocated on the basis of time spent by staff on each activity.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2011

1. Accounting policies (Contd.)

Fixed assets

Capital items costing under £1,000 are expenses though the Statement of Financial Activities.

The heritable property was revalued by Montagu Evans on 16 January 2004. No depreciation is charged on the property. The property is maintained in a good state of repair and the Council of Management are of the opinion that the estimated realisable value of the property exceeds the valuation and therefore any depreciation would be immaterial on an aggregate basis.

Pension costs

Pension contributions are made to an approved money purchase 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.

2. Donations	Unrestricted	Restricted	2011	2010
	£	£	Total	Total
			£	£
The Binks Trust	1,000	-	1,000	1,000
Penpont Charitable Trust	2,000	-	2,000	2,000
Dedridge Medical Centre	830	-	830	690
Other donations from individuals	150,621	-	150,621	155,344
	-----	-----	-----	-----
	154,451	-	154,451	159,034
	=====	=====	=====	=====

3. Incoming resources from activities to further the Charity's objectives	2011	2010
	Total	Total
	£	£
Grants		
City of Edinburgh Council	17,025	17,920
West Lothian Council	9,943	9,845
Fairer East Lothian	50,065	25,922
	-----	-----
	77,033	53,687
	=====	=====

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2011

4. Resources expended	Charitable activities	Governance costs	Total 2011	Total 2010
	£	£	£	£
Other operating charges				
Audit fee	-	2,100	2,100	2,498
Administration costs	29,801	-	29,801	33,246
Professional fees	8,782	-	8,782	8,502
	<u>38,583</u>	<u>2,100</u>	<u>40,863</u>	<u>44,246</u>
Staff costs				
Salaried employees	116,460	-	116,460	109,124
Sessional counsellors*	73,328	-	73,328	65,468
	<u>228,371</u>	<u>2,100</u>	<u>230,471</u>	<u>218,838</u>
	=====	=====	=====	=====

*Sessional counsellors' staff costs include supervision fees of £10,672 (2010: £13,747).

5. Staff costs and numbers	2011	2010
	£	£
Staff costs were as follows:		
Wages and salaries	168,096	149,839
Social security costs	8,466	8,477
Pension costs	2,554	2,530
	<u>179,116</u>	<u>160,846</u>
	=====	=====

The above staff costs exclude supervision fees of £10,672 (2010: £13,747).

No employee received emoluments of more than £60,000.

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2011	2010
Charitable activity	2 ³ / ₄	3 ¹ / ₂
Support staff	3	2 ¹ / ₂
	=====	=====

The charity contributes to the SCVO Money Purchase Pension Fund for Senior Staff members.

6. Management Committee remuneration and related party transactions

No members of the management committee received any remuneration during the year.

No members of the management committee or other person related to the charity had any personal interest in any contract or transactions entered into by the charity during the year (2010: Nil).

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2011

7. Taxation

As a charity, Couple Counselling Lothian is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

8. Fixed assets	2011	2010
	£	£
Heritable property		
Valuation as at 31 March 2010 and 31 March 2011	350,000	350,000
	=====	=====

9. Debtors	2011	2010
	£	£
Other debtors and prepayments	11,231	8,585
	-----	-----
	11,231	8,585
	=====	=====

10. Creditors	2011	2010
	£	£
Grants received in advance	-	23,443
Taxation and social security	2,466	2,787
Other creditors and accruals	9,301	8,295
	-----	-----
	11,767	34,525
	=====	=====

11. Analysis of net assets between funds	General Funds	Capital Reserves	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	350,000	-	350,000
Current assets	28,607	-	-	28,607
Current liabilities	(11,767)	-	-	(11,767)
	-----	-----	-----	-----
Net assets at 31 March 2011	16,840	350,000	-	366,840
	=====	=====	=====	=====

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2011

12. Movement in funds	At 1 April 2010 £	Incoming resources (inc gains) £	Outgoing resources £	Transfers £	At 31 March 2011 £
Restricted funds					
Fairer East Lothian	-	50,065	(50,065)	-	-
Total restricted funds	-	50,065	(50,065)	-	-
Unrestricted funds					
Capital reserve	350,000	-	-	-	350,000
General fund	14,216	183,030	(180,406)	-	16,840
Total unrestricted funds	364,216	183,030	(180,406)	-	366,840
Total funds	364,216	233,095	(230,471)	-	366,840

Purpose of Restricted Funds

Fairer East Lothian – To develop and provide a counselling service for children and young people where there are issues of domestic abuse within the family.

13. Non-audit services

In common with many other companies of our size we use our auditors to assist with the preparation of the financial statements.