

Company No. SC134379
Charity No. SC016015

PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)
REPORT and FINANCIAL STATEMENTS
For the year to 31 March 2000



PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

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PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

Directors

Lori Cummings

Jean Dunlop (Chairperson)

John Cunningham

Gordon Mungall

Bob Forsyth

John Dye (appointed 26 October 1999)

John Toal (appointed 26 October 1999; resigned 1 April 2000)

Karen Ann Docherty (appointed 26 October 1999; resigned 30 November 1999)

Company Secretary

F Hird

Registered Office

5a Warriston Road

Edinburgh

EH3 5LQ

Registered Number

SC134379

Charity Number

SC016015

Bankers

Bank of Scotland

52 Shandwick Place

Edinburgh

EH2 4SB

Solicitors

Warden Bruce & Co WS

Scotiabank House

South Charlotte Street

Edinburgh

EH2 4EB

Auditors

Chiene & Tait, CA

Registered Auditors

61 Dublin Street

Edinburgh

EH3 6NL

PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS

The directors of Phab (Scotland) Limited have pleasure in presenting their report and the audited financial statements for the year to 31 March 2000.

Constitution

Phab (Scotland) Limited is a company limited by guarantee established in October 1991 and has no share capital. It is recognised by the Inland Revenue as a Scottish Charity.

Principal activity

The principal activity of the company is to encourage the integration of people with physical disabilities.

Financial results

The financial results for the year are set out in the financial statements which follow. The directors regard the financial position to be satisfactory.

Directors

The directors are as stated on page 1.

Review of the year and future developments

1999/2000 has been an extremely eventful and challenging year, bringing an unusual series of office upheavals as well as many new opportunities. The commitment of staff, volunteers and Board members has enabled the service and programmes to be maintained. Thanks to everyone for their enthusiasm, hard work and motivation. The Board of Directors were involved in three planning days, where they examined their roles and responsibilities, governance of the organisation and strategic planning. PHAB 2000, a strategic document for the organisation was produced in 1999 and has provided us with a clear strategic direction. The focus is to provide a solid foundation for the company on which to build new and exciting projects. PHAB Scotland will continue to offer specific programmes and projects that enable people to gain confidence, experience and inclusion in community life. We are indebted to our partners, funders, supporters and volunteers for their contribution to the work of PHAB Scotland.

The directors acknowledge the outstanding contribution of many volunteers and the support of sponsors and funders.

Statement of directors' responsibilities

Company law requires the directors 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 or 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 directors are 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 Companies Act 1985. 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.

PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS (Contd)

Auditors

Messrs Chiene & Tait CA are auditors to the company and the directors will recommend their reappointment at the Annual General Meeting.

BY ORDER OF THE BOARD



FIONA HIRD
Company Secretary

5a Warriston Road
Edinburgh
EH3 5LQ

20 October 2000



AUDITORS' REPORT TO THE MEMBERS OF

PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

We have audited the accounts on pages 5 to 12 which have been prepared on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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.

As described in note 8 the financial statements have been prepared on the going concern basis which assumes that adequate grants and fund raising income will be received in order for the company to be able to meet its day to day working capital commitments. In view of the significance of this matter we should like to draw it to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chiene & Tait CA

CHIENE & TAIT, CA
Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

20 October 2000

PHAB (SCOTLAND) LIMITED
(A Company Limited by Guarantee)

INCOME and EXPENDITURE ACCOUNT
(Incorporating Statement of Financial Activities)

For the year ended 31 March 2000

	Notes	Restricted Funds £	Un- restricted Funds £	Total 2000 £	Total 1999 £
Income					
Income from supporters	2	-	2,324	2,324	7,035
Income from Scottish Office		26,118	-	26,118	22,677
Income from training activities		479	14,800	15,279	8,657
Income from fundraising		-	7,121	7,121	-
Grants		237,681	42,630	280,311	234,891
Interest received		770	2,008	2,778	6,027
		265,048	68,883	333,931	279,287
Expenditure					
Direct charitable expenditure	3	232,104	78,727	310,831	249,275
Management and administration	4	28,759	2,293	31,052	16,002
Publicity and fundraising	5	3,305	3,385	6,690	1,166
		264,168	84,405	348,573	266,443
Net income/(expenditure) before transfers		880	(15,522)	(14,642)	12,844
Transfer between funds		1,096	(1,096)	-	-
Net income/(expenditure) for the year		1,976	(16,618)	(14,642)	12,844
Balances brought forward		10,163	56,392	66,555	53,711
Balances carried forward		12,139	39,774	51,913	66,555

The notes on pages 7 to 12 form part of these financial statements.

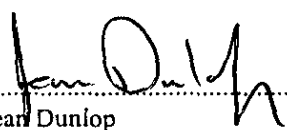
PHAB (SCOTLAND) LIMITED
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BALANCE SHEET

As at 31 March 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	9		-		-
Current assets					
Debtors	10	15,044		10,491	
Cash at bank and in hand		86,448		154,470	
		101,492		164,961	
Creditors: amounts falling due within one year	11	49,579		98,406	
Net current assets			51,913		66,555
Net assets			51,913		66,555
Financed by:					
Unrestricted funds:					
Designated funds	15		35,411		25,472
General funds	15		4,363		30,920
Restricted funds	14		12,139		10,163
			51,913		66,555

The financial statements were approved by the Directors on 20 October 2000 and signed on its behalf by:

 Director
Jean Dunlop

The notes on pages 7 to 12 form part of these financial statements.

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2000

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of accounting

The financial statements are prepared in all material respects with the Statement of Recommended Practice - Accounting by Charities, except as noted below regarding the treatment of grants to fund the purchase of fixed assets.

Donations

Donations are taken to the Income and Expenditure Account in the year which they are received.

Grants receivable

Revenue Grants, including those relating to Phab (Scotland) Limited projects, are taken to the Income and Expenditure Account in the year to which they relate. Grants to fund the purchase of fixed assets are deducted from the cost of the relevant asset. Grant income to fund Phab (Scotland) Limited project expenditure not yet incurred is included in creditors as grants received in advance.

Funds

The Social Inclusion Partnership Fund reflects the restricted funds and finances of the Phab Lothian Integration Project funded by the Scottish Office Education and Industry Department through Lothian Regional Council until 31 March 1996, and the City of Edinburgh Council thereafter. The Glasgow Networks Fund reflects the restricted funds and finances of the Glasgow Networks project principally funded by the National Lottery Charities Board. The Administration Fund represents the funds restricted to meet the salary costs of the Chief Executive. The Ewing Bequest is an unrestricted and designated fund and contains an endowment provided by a legacy from the estate of the late Miss Catherine Ewing of East Lothian. There are three other unrestricted and designated funds, the Eliza Munro Fund, the Tracy Clapperton Fund and the Development Fund. The Development Fund is to be used to fund the strategic development of the company. The General Fund is the free and unrestricted fund of Phab (Scotland) Limited.

Pensions

All employees are given the opportunity to join a pension scheme operated by the Pensions Trust. The company makes related contributions to the scheme. Such contributions are linked to salary and are charged to the Income and Expenditure Account in the year that they are paid.

Taxation

The organisation is recognised as a charity for taxation purposes. Interest received is shown gross and no provision for tax is considered necessary.

Value added tax

The organisation is not registered for Value Added Tax (VAT). All VAT on incurred costs is included in the attributable expenditure.

Cash flow statement

The company is a small company as defined by Section 247 of the Companies Act 1985 and is entitled to exemption from preparation of a cash flow statement as required under FRS1. Consequently a cash flow statement has not been prepared.

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2000

2. Income

Income includes grants from trusts and others, and income from other sources, which were received during the year, subject to the accounting policy enumerated in Note 1 above. Those over £100 received in the year included:

	2000 £	1999 £
Scottish Executive (Social Inclusion Programme - City of Edinburgh Council)	163,813	166,023
National Lottery Charities Board	81,008	62,552
Scottish Executive (HQ Grant)	24,205	23,500
Children in Need	21,500	21,750
TSB Foundation Scotland	19,818	19,818
Charities Aid Foundation	-	2,400
SCVO Baring Foundation	792	-
Kirkcaldy Round Table	200	-
C Pringle & Friends (Glasgow Marathon)	1,070	-
Scottish Executive (Training Grant)	1,913	-
John Menzies plc	1,299	1,299
William Grant Charitable Trust	500	500
Leslie Deans / A Campbell Trust	-	2,000
Camelot Foundation	-	2,400
Nambarrie Tea Company	1,113	-
Help a Child (Radio Forth)	1,000	-
M Hunter	113	-
N Majid	135	-
K Whitely	130	-
J Dye	185	-
J Boyle	680	-
	=====	=====

In accordance with the accounting policy enumerated in Note 1 above, these amounts are only credited to the Income and Expenditure Account, or set against the costs of fixed assets purchased, in the period where the related expenditure is incurred.

	Restricted Funds £	Un- restricted Funds £	2000 Total £	1999 Total £
3. Direct charitable expenditure				
Staff costs	164,985	56,407	221,392	185,117
Projects and activities	67,119	22,320	89,439	64,158
	-----	-----	-----	-----
	232,104	78,727	310,831	249,275
	=====	=====	=====	=====

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2000

	Restricted Funds £	Un- restricted Funds £	2000 Total £	1999 Total £
4. Management and administration				
Staff costs	8,130	-	8,130	7,126
Other costs	20,629	2,293	22,922	8,876
	<u>28,759</u>	<u>2,293</u>	<u>31,052</u>	<u>16,002</u>
5. Publicity and fundraising				
Staff costs	-	-	-	721
Other costs	3,305	3,385	6,690	445
	<u>3,305</u>	<u>3,385</u>	<u>6,690</u>	<u>1,166</u>
6. (Deficit) / Surplus for the year			2000 £	1999 £
This is stated after charging:				
Staffing costs (see note 7)			229,522	192,964
Board of Directors costs (see note 8)			731	607
Audit fees (as auditor)			<u>1,050</u>	<u>1,015</u>
and after crediting:				
interest receivable			<u>2,778</u>	<u>6,027</u>
7. Staffing costs				
Staff employment costs				
Salaries			205,688	172,121
Employers NIC			17,572	14,244
Employers superannuation			<u>6,262</u>	<u>6,599</u>
			<u>229,522</u>	<u>192,964</u>
Allocated thus:				
Direct charitable expenditure			221,392	185,117
Management and administration			8,130	7,126
Publicity and fund raising			<u>-</u>	<u>721</u>
			<u>229,522</u>	<u>192,964</u>
Average staff numbers			No.	No.
Those employed for 20 hours or more per week			10	12
Those employed for less than 20 hours per week			<u>5</u>	<u>1</u>

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2000

8. Directors

The directors receive no remuneration for their services. Directors are however eligible to receive reimbursement of travel and subsistence costs. During the year such claims amounted to £731 (1999: £607).

9. Tangible fixed assets	Leasehold improvement	Office equipment	Motor vehicle	Total
	£	£	£	£
Cost				
As at 31 March 1999	47,365	21,510	28,527	97,402
Additions	-	-	-	-
As at 31 March 2000	47,365	21,510	28,527	97,402
Grants received				
As at 31 March 1999	47,365	21,510	28,527	97,402
Charge for year	-	-	-	-
As at 31 March 2000	47,365	21,510	28,527	97,402
Net book value				
As at 31 March 2000	-	-	-	-
As at 31 March 1999	-	-	-	-

10. Debtors	2000	1999
	£	£
Prepayments	3,376	8,024
Sundry debtors	11,668	2,467
	15,044	10,491

11. Creditors: amounts falling due within one year

Grants received in advance	35,005	78,454
Purchase ledger creditors	7,570	7,824
Other income in advance	-	1,698
Accrued charges	7,004	10,410
Sundry creditors	-	20
	49,579	98,406

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2000

12. Leasing commitments	2000	1999
	£	£
Annual cost of leases -		
Expiring within two to five years	1,523	1,523
Expiring within five to ten years	12,000	12,000
	<u>13,523</u>	<u>13,523</u>

13. Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at either 31 March 2000 or 31 March 1999.

	As at 31 March 1999	Movement in Resources	Transfer From Unrestricted Funds	As at 31 March 2000
14. Restricted funds	£	Incoming £	Outgoing £	£
Social Inclusion Partnership	7,763	164,347	(172,437)	327
Glasgow Network	-	22,039	(22,808)	769
Isolated Young People's Project	2,400	52,543	(42,804)	-
Administration Fund	-	26,119	(26,119)	-
	<u>10,163</u>	<u>265,048</u>	<u>(264,168)</u>	<u>1,096</u>
				<u>12,139</u>

	Designated Funds				Total Un- restricted Funds
15. Unrestricted funds	General Fund	Development Fund	Ewing Bequest Fund	Clapperton/ Davidson Funds	£
	£	£	£	£	£
Balance at 1 April 1999	30,920	-	22,967	2,505	56,392
Surplus/(deficit) for the year	(15,461)	-	319	(380)	(15,522)
Transfer to Restricted Funds	(1,096)	-	-	-	(1,096)
Transfer to Development Fund	(10,000)	10,000	-	-	-
	<u>4,363</u>	<u>10,000</u>	<u>23,286</u>	<u>2,125</u>	<u>39,774</u>
Balance at 31 March 2000					

PHAB (SCOTLAND) LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2000

	Tangible Fixed Assets £	Net Current Assets £	Total £
16. Analysis of net assets between funds			
Restricted funds:			
Isolated Young People's Project	-	12,139	12,139
Unrestricted funds			
Designated	-	35,411	35,411
General	-	4,363	4,263
	-	51,913	51,913

17. Going concern

The future operation of the company is dependent on the receipt of grants from outside sources in order that liabilities can be met as they fall due. The directors are not aware of any circumstances which indicate that grant support will not continue for the foreseeable future. The financial statements have been prepared on the going concern basis.