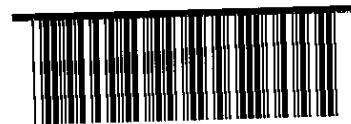


SCOTTISH CATHOLIC MARRIAGE CARE LIMITED
(Operating as Scottish Marriage Care)

REPORT AND ACCOUNTS
31 DECEMBER 2001



SCT SY30PAM2 0668
COMPANIES HOUSE 08/05/02

COMPANY INFORMATION

Directors

Paul Biagi (Chairman)
John Kerr
Joseph O'Hagan
Brian Robertson
Kathy Smyth

Secretary

John Kerr

Registered Office

72 Waterloo Street
Glasgow
G2 7DA

Registered Number

SC 137213

Charity Registration Number

SC 018249

Bank

Royal Bank of Scotland plc
10 Gordon Street
Glasgow
G1 3PL

Registered Auditors

Wylie & Bisset
Chartered Accountants
135 Wellington Street
Glasgow
G2 2XE

Solicitors

HBM Sayers
33a Gordon Street
Glasgow
G1 3PQ

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 31 December 2001.

Review of activities

The principal activity of the company is to provide relationship counselling to the whole community in Scotland. It operates through nine branches in various parts of Scotland. Volunteers are used to provide much of the counselling. The company is administered by a Chief Executive who reports directly to the Board of Directors.

During the year, the company received a revenue grant from the Scottish Executive of £59,444 and a training grant of £13,000. It also received a revenue grant from the Community Fund of £83,279 which is the first instalment of a three year grant towards additional staffing and operational costs and a capital grant of £40,670 towards the purchase of office and training equipment. The company is dependent upon such grants to continue its operations.

The total income for the year of £237,841 has been reduced by expenditure of £209,595 leaving a surplus of £28,246 to add to accumulated funds brought forward. The company will carry forward these reserves to meet expenditure in the event of a shortfall in future funding.

Directors and their interests

The directors who served during the year are shown on page 1. Every director is a member of the company. As the company is limited by guarantee it does not have a share capital, therefore none of the directors holds any shares.

Statement of directors' responsibilities

Company Law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to provide services.

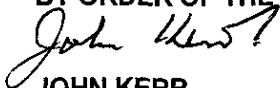
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The income of the company has increased to a level at which it is required by law to be audited. Accordingly, the directors have appointed Wylie & Bisset as auditors. Wylie & Bisset are willing to be re-appointed as auditors in accordance with Section 385 of the Companies Act 1985.

The report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



JOHN KERR
Secretary

28 April 2002

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SCOTTISH CATHOLIC MARRIAGE CARE LIMITED**

We have audited the accounts on pages 4 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Directors' Report is not consistent with the accounts, if the 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 company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

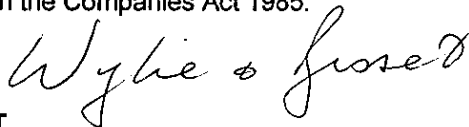
Basis of opinion

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 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 December 2001 and of its incoming and outgoing resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



WYLIE & BISSET
Chartered Accountants
Registered Auditors
Glasgow

28 April 2002

A member firm of
The UK 200 Group
PRACTISING CHARTERED ACCOUNTANTS

IAA
International Association
of Practising Accountants

**INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2001**

	Notes	£	2001 £	2000 £
Incoming resources:				
Core Funding – Scottish Executive (Sec 10)			59,444	50,465
Grants – Community Fund			83,279	2,500
Grants – Release from Grant Reserve			9,961	400
Training grant – Scottish Executive (Sec 9)			13,000	-
Trust income			21,980	14,050
Donations			9,624	6,916
Training fees			21,425	3,429
Contributions from branches			18,323	14,895
Interest received			805	580
Total incoming resources			237,841	93,235
Resources expended:				
Staff	3	107,428		36,705
Premises		16,668		6,324
Administration		14,925		12,185
Travel		9,437		7,363
Training		40,151		25,296
Public relations and advertising		7,220		3,514
Depreciation		8,681		1,361
Professional fees		5,085		2,817
Total resources expended	4		209,595	95,565
Net incoming resources			28,246	(2,330)
Accumulated fund brought forward			2,674	5,004
Accumulated fund carried forward			£ 30,920	£ 2,674

The notes on pages 6 and 7 form part of these accounts.

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	£	2001 £	2000 £
Fixed assets:				
Tangible assets	5		26,406	1,269
Current assets:				
Debtors		9,208		2,587
Cash at bank and on hand		67,156		18,050
		76,364		20,637
Creditors: amounts falling due within one year	6	8,261		6,352
Net current assets			68,103	14,285
Total assets less current liabilities			94,509	15,554
Creditors: amounts falling due after more than one year	7		(20,000)	-
Grant Reserve	8		(43,589)	(12,880)
			£ 30,920	£ 2,674
Reserves:				
Accumulated fund			£ 30,920	£ 2,674

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The accounts were approved by the Board on 28 April 2002.



PAUL BIAGI
Chairman

The notes on pages 6 and 7 form part of these accounts.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

1. Status

The company is limited by guarantee and does not have a share capital. The liability of each member to contribute to the assets of the company is limited to £1 and on 31 December 2001 the company had 5 members. The company is not liable to taxation because of its charitable status.

The company has 9 branches, which operate independently under their own constitutions and charity registration numbers. As independent entities, the results of the branches have not been incorporated in these accounts.

2. Accounting policies

The accounts are prepared in accordance with applicable Accounting Standards, including the Statement of Recommended Practice for charity accounts, the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the historical cost convention.

(a) Donations and grants are included in the financial period of receipt except for grants relating to capital expenditure, which are released to income over the useful life of the asset.

(b) Depreciation is provided on fixed assets as follows:

Fixtures & Fittings	- 20% p.a. on a straight line basis.
Equipment	- 25% p.a. on a straight line basis.

3. Staff costs

	2001 £	2000 £
Salaries	93,987	33,341
Social security costs	7,942	3,364
Pension costs	5,499	-
	£107,428	£ 36,705

The average weekly number of employees during the year was 5 (2000 - 2). All were involved in the company's charitable activities.

4. Expenditure

	2001 £	2000 £
Included in expenditure are:		
Depreciation	8,681	1,360
Auditor's remuneration	1,000	-

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001
(continued)

5. Fixed assets

	Equipment
	£
Cost:	
At 1 January 2001	6,905
Additions	33,818
At 31 December 2001	40,723
Depreciation:	
At 1 January 2001	5,636
Provided during year	8,681
At 31 December 2001	14,317
Net book value:	
At 31 December 2001	£ 26,406
At 31 December 2001	£ 1,269

6. Creditors: amounts falling due within one year

	2001	2000
	£	£
Tax and social security	6,881	1,630
Other creditors	1,380	4,722
	£ 8,261	£ 6,352

7. Creditors: amounts falling due after more than one year

	2001	2000
	£	£
Interest-free loan repayable within 5 years from October 2001	£ 20,000	£ -

8. Grant reserve

	Revenue	Capital	2001	2000
	£	£	£	£
At 1 January 2001	11,286	1,594	12,880	13,280
Grants received in the year:				
Community Fund	83,279	40,670	123,949	2,500
Scottish Executive	72,444	-	72,444	50,465
Released to income	(155,723)	(9,961)	(165,684)	(53,365)
At 31 December 2001	£ 11,286	£ 32,303	£ 43,589	£ 12,880