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SCOTTISH DYSLEXIA ASSOCIATION

(A company Limited by Guarantee with Charitable Status)

FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2001



SCOTTISH DYSLEXIA ASSOCIATION
(A company Limited by Guarantee with Charitable Status)

REPORT AND ACCOUNTS

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SCOTTISH DYSLEXIA ASSOCIATION
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REPORTING ACCOUNTANTS

Gregor Clark & Co
Chartered Accountants
54 Manor Place
Edinburgh
EH3 7EH

COMPANY SECRETARY

Ian Greer
13 Crofters Way
East Whitburn
West Lothian
EH47 5ES

BANKERS

The Royal Bank of Scotland plc
Alloa Branch
19 High Street
Alloa
FK10 1JF

REGISTERED OFFICE

Stirling Business Centre
Wellgreen
Stirling
FK8 2DZ

REGISTERED NUMBER

SC153321 (Scotland)

**INLAND REVENUE
CHARITY NUMBER**

SC000951

SCOTTISH DYSLLEXIA ASSOCIATION
(A Company Limited by Guarantee with Charitable Status)

DIRECTORS' REPORT

The Directors submit their report and financial statements for the year ended 31st December 2001.

Background

Scottish Dyslexia Association is a registered charity and was incorporated as a company limited by guarantee on 7 May 1994.

In 1978 the Scottish Association for the Study of Dyslexia changed its name to become the Scottish Dyslexia Association. Thus, although the Annual General Meeting in the year 2002 will be the 23rd AGM our history and our files go back as far as 1968.

There are members and branches throughout Scotland. The governing body is the Council of Management on which each branch is represented. The Council is the policy making body and the Company exists to carry out the wishes of the Council.

The charitable purposes of the company are:

- to aid the advancement of education of persons in Scotland suffering from dyslexia or related conditions
- to provide training for teachers specially for dyslectic persons and
- to aid the advancement of the education of the general public throughout Scotland concerning dyslexia and all other forms of dyslectic conditions.

Review of the business

During the year we decided to change our name to Dyslexia in Scotland ('DIS'). There were various reasons for this and it has proved to be a very popular decision. Membership is steadily growing throughout the country.

We continued throughout the year to disseminate information in different parts of the country. We had a very successful "Awareness Day" in Dundee when approximately 200 people attended. Many became members and have expressed an interest in forming a new local branch. We hope to establish this in the coming year. The office staff are helping this to come to fruition but, as is normal, finding volunteers willing to co-ordinate the work locally is a slow process. This year we have successfully established a new branch based in Elgin.

Because of growing public awareness of dyslexia the demands on the office staff and the volunteers in the branches continue to grow. This is demonstrated by the following statistics. During the year 1999 our head office received 1500 calls on the help-line. In the year 2000 we received 3000 calls. In the year 2001 we received almost 5300 calls on our help-line, for advice and/or information. This equates to almost 21 calls every working day. The branches around the country receive a substantial number of calls on their local help-lines.

Almost 20% of the calls received by the office were either from or in connection with dyslexia adults. Where the calls to the office concerned children, almost 70% of them concerned children in the 7-8 year old age group. In addition to calls received from parents with dyslexia children and from dyslexia adults, calls were received from Teachers, Psychologists, Research Students, ABE Tutors, employers and various statutory and voluntary organisations seeking advice or information.

We produce a quarterly magazine for our members giving them up-to-date information about events taking place throughout the country and about current research. We continue to send out thousands of information packs to whoever requests them. The packs include leaflets for parents, adults, teachers, students, etc. The pattern of calls for assistance received by the branches is very similar to the head office pattern.

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DIRECTORS' REPORT (ctd)

Review of the business (ctd)

During the year there was continuing demand for screening tests, workshops and training sessions from a wide range of organisations.

We receive numerous requests for names of private tutors and as a result have recently created a national list of tutors. In creating this list we have taken full account of our duty of care and the new legislation in connection with criminal record checks. We continue to put people in touch with psychologists for private assessment and have a psychologist visiting our office once a month to carry out assessments.

We employed two additional part time members of staff during the year and this helped to ease the workload for the existing staff. However, as illustrated by the number of calls to the help-line our workload keeps growing of its own accord and my voluntary position as Chairman has become full time, yet again. Funds permitting, we hope to increase staff numbers in the not too distant future.

The head office continues to maintain links with many voluntary and statutory organisations.

A major project in the past year has been our work for the Scottish Prison Service. Working closely with the prison service Education Adviser, we have developed a "Teachers Pack" to be used by all those who teach in the prisons and a "Resource Park" to be held in the learning centres of each prison in Scotland. The packs include a standardised approach to dyslexia screening and assessment of prisoners who have very low literacy skills, information about various aspects of dyslexia, basic guidance on teaching methods and information which will be useful to prisoners after their release from prison. This work was funded by donations from trusts.

Our Annual National Conference held in September 2001, and entitled "Teaching Maths to the Dyslexic Pupil", was attended by 210 Delegates. Delegates came from all over Scotland from the Western Isles to Dumfries and everywhere in between and they represented a wide range of interests. The majority were teachers but parents and many other professionals were present. All of our conferences in recent years have been oversubscribed. In 2002 the Conference will be held in larger premises to accommodate the demand for places.

We held a successful conference for dyslexia adults in November 2001 and another is planned for February 2002. We have given talks to various organisations such as two Scottish Executive "Inclusiveness" Seminars, Adult Basic Education Services, Universities, the Construction Industry Training Board, Employers in Lothian, schools, etc, etc.

We strive to influence policy at National level and to this end have responded to several Consultation Documents issued by the Scottish Executive during the year.

The work done by the volunteers in the branches frequently goes unrecognised. Without these volunteers DIS would be unable to function effectively as a national organisation because of the sheer size of the workload.

Most of the branches organise a programme of meetings, throughout the year, to which are invited speakers on a wide range of dyslexia related topics. The meetings are open to the public.

Members throughout Scotland have a wealth of knowledge about dyslexia and are often invited to be speakers at meetings organised by other bodies. Branches are actively involved in policy making discussion groups established by local education authorities and have influenced local policy.

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DIRECTORS' REPORT (ctd)

Review of the business(ctd)

A number of branches now have adult support groups and via the head office these adults are put in touch with other in different parts of Scotland.

Again, as the result of careful "house keeping" and increased effort on fund raising our balance sheet at the end of year 2001 showed improvement over the previous year and the situation is continuing to improve. We are now in the position of being able to plan for the future.

Results for the year

A surplus of £36,652 (2000 - £3,523) arose during the year.

Reserves

The company has agreed that its policy on reserves should be to provide sufficient liquid resources to meet both revenue and capital needs.

Board of Directors

The directors who served during the period were as stated on page 2.

The board of directors comprise a wide range of experience and expertise allowing the company to tap into the appropriate guidance in a wide range of situations faced by the company.

Organisation

The company has a board of directors who meet on a regular basis to administer the affairs of the company. A chief executive is appointed by the directors to manage the day to day operations of the company.

Risk review

The risks faced by the charity fall into two categories, internal and external.

Internal risks are minimised by the implementation of procedures for authorisation of transactions and projects and to ensure consistent quality of delivery for all operational aspects of the company.

External risks relate largely to the continued funding of the charity. However an encouraging development is the continued support from both private and public sectors which should ensure the long term financial stability of the company.

SCOTTISH DYSLEXIA ASSOCIATION
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DIRECTORS REPORT (ctd)

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 surplus or deficit 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 judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards, 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 to operate.

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.

Directors

Elizabeth J Reilly
Elizabeth Tangney (appointed 5 January 2001)
Sheila Airth
Roy Burrell

Reporting Accountants

Gregor Clark & Co., Chartered Accountants, were appointed reporting accountants during March 2002 and have expressed a willingness to continue in office. A resolution to re-appoint Gregor Clark & Co. will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD



Elizabeth J Reilly
Director

25 May 2002

SCOTTISH DYSLEXIA ASSOCIATION
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INDEPENDENT ACCOUNTANTS REPORT UNDER S249A (2) OF THE COMPANIES ACT 1985

Accountants report to the directors on the unaudited accounts of Scottish Dyslexia Association

We report on the accounts for the year ended 31 December 2001 set out on pages 8 to 13.

Respective responsibilities of directors and reporting accountant

As described on page 6, the company's directors are responsible for the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

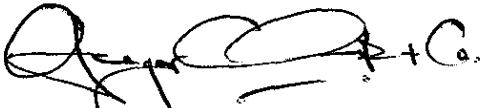
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for reporting Accountants, and so our procedures consist of comparing the accounts with the accounting records kept by the company, and making such limited enquires of the officers of the company as we consider necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under s221 of the companies Act 1985.
- (b) Having regard only to, and on the basis of, the information contained in those accounting records:
 - The financial statements have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act; and
 - The company satisfied the conditions for exemption from an audit of the financial statements for the year, specified in s249A (4) of the Act as modified by s249A (5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in s249B (1).



Gregor Clark & Co
Chartered Accountants
54 Manor Place
Edinburgh
EH3 7EH

29 May 2002

SCOTTISH DYSLEXIA ASSOCIATION
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STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31st December 2001

	Notes	Unrestricted Funds General Fund	Designated Funds	Restricted Funds	Total Funds 2001	Total Funds 2000
		£	£	£	£	£
Income and Expenditure						
Incoming resources						
Donations	2	41,046	-	13,050	54,096	17,114
Scottish Executive funding		27,810	-	-	27,810	27,810
Conferences		10,935	-	-	10,935	5,225
Branch fees and fundraising		1,594	-	-	1,594	1,543
Interest received		2,349	-	-	2,349	1,125
Other income	3	5,283	-	-	5,283	5,385
Total incoming resources		89,017	-	13,050	102,067	58,202
Resources expended						
Direct charitable expenditure		46,688	-	1,534	48,222	43,041
Fundraising and publicity		5,600	-	-	5,600	5,140
Management and administration of the charity		11,593	-	-	11,593	6,498
Total resources expended		63,881	-	1,534	65,415	54,679
Net movements in funds						
before transfers		25,136	-	11,516	36,652	3,523
Transfer between funds		-	-	-	-	-
Net movements in funds		25,136	-	11,516	36,652	3,523
Funds brought forward at						
1 January 2001		26,382	-	-	26,382	22,859
Funds carried forward at		51,518	-	11,516	63,034	26,382
31 December 2001						

A statement of total recognised gains and losses is not shown as all gains and losses are shown in the income and expenditure account.

The notes on pages 11 to 13 form part of these financial statements.

SCOTTISH DYSLEXIA ASSOCIATION
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INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31st December 2001

	Notes	Unrestricted Funds General Fund	Designated Funds	Restricted Funds	Total Funds 2001	Total Funds 2000
		£	£	£	£	£
Income						
Branches Capitation Fees		1,510	-	-	1,510	1,255
Donations	2	41,046	-	13,050	54,096	17,114
Fundraising		84	-	-	84	288
Conferences		10,935	-	-	10,935	5,225
Other income	3	5,283	-	-	5,283	5,385
Scottish Executive Funding		27,810	-	-	27,810	27,810
		<u>86,668</u>	<u>-</u>	<u>13,050</u>	<u>99,718</u>	<u>57,077</u>
Expenditure						
Operating expenses	4	63,881	-	-	63,881	54,679
Projects		-	-	1,534	1,534	-
		<u>63,881</u>	<u>-</u>	<u>1,534</u>	<u>65,415</u>	<u>54,679</u>
Surplus/(Deficit) before						
Interest and transfers		22,787	-	11,516	34,303	2,398
Interest received		<u>2,349</u>	<u>-</u>	<u>-</u>	<u>2,349</u>	<u>1,125</u>
Surplus/(Deficit) for the year		<u>25,136</u>	<u>-</u>	<u>11,516</u>	<u>36,652</u>	<u>3,523</u>

The notes on pages 11 to 13 form part of these financial statements.

SCOTTISH DYSLEXIA ASSOCIATION
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BALANCE SHEET
As at 31st December 2001

	Notes	2001	2000
		£	£
Fixed Assets			
Tangible assets-Office Equipment		2,259	-
Current Assets			
Bank		61,967	25,979
Cash		36	82
Stock		250	321
		<u>62,253</u>	<u>26,382</u>
		64,512	26,382
Current liabilities: Amounts falling due within one year	5	<u>1,478</u>	<u>-</u>
Net assets		<u><u>63,034</u></u>	<u><u>26,382</u></u>
Capital and reserves			
Unrestricted funds:			
Designated funds		-	-
General funds		51,518	26,382
Restricted funds	6	<u>11,516</u>	<u>-</u>
		<u><u>63,034</u></u>	<u><u>26,382</u></u>

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ended 31 December 2001.

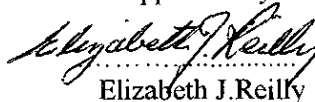
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2001 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit and loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 25 May 2002 and were signed on its behalf by

 Director
Elizabeth J. Reilly

The notes on page 11 to 13 form part of these financial statements.

SCOTTISH DYSLEXIA ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2001

1. Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Depreciation

Depreciation is provided by the company to write off the cost or valuation of fixed tangible assets over their estimated useful economic lives as follows:

Office equipment	25% straight line
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Charitable status

The company is recognised by the Inland Revenue as a charity.

Grants

Grants of a revenue nature are credited to the income and expenditure account in the year in which they accrue.

Deferred income

Capital grants received towards the cost of projects are credited to a deferred income account and the associated expenses are debited to this account in the year that they are incurred.

Donations

Donations of a revenue nature are credited to the income and expenditure account in the year in which they are received.

VAT

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

Operating expenses

The operating cost of the Company has been allocated between direct charitable and administration expenses on an equitable basis.

Stock

Stock is included at the lower of costs or net realisable value.

Fund Accounting

- *Unrestricted funds*-these funds are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- *Designated funds*-these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds*- these funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

SCOTTISH DYSLEXIA ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31st December 2001

	2001	2000
	£	£
2. Donations		
General Fund		
Dulverton Trust	20,000	-
Lloyds TSB	9,000	-
C G Foundation	5,000	-
MacRobert Trust	5,000	-
ASmith – Legacy	5,000	-
LADBA	1,020	-
B of S Charities Aid	2,000	-
Brethenham D F	2,000	-
Other donations under £1,000	5,076	5,614
Abbey National	-	2,000
T.S. Catto Charitable Settlement	-	1,000
Dyslexia Cental	-	1,500
Robertson Trust	-	5,000
Western Isles Council	-	1,000
Western Isles Enterprise	-	1,000
	<u>54,096</u>	<u>17,114</u>
3. Other Income		
Sale of books and publications	1,482	2,134
Workshops and screening fees	355	2,936
Memberships	2,987	315
Branch Cont. – P I Insurance	318	-
Sundry income	141	-
	<u>5,283</u>	<u>5,385</u>

SCOTTISH DYSLEXIA ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31st December 2001

	2001	2000
	£	£
4. Detailed operating expenses		
Premises	7,969	9,263
Staff salaries	31,277	26,974
Office expenses	8,949	4,839
Travel	3,086	1,937
Professional Indemnity Insurance	484	247
Subscriptions	983	404
Council meetings	-	808
Projects	-	2,730
Books and publications	1,023	1,971
Cards	-	500
Conferences and courses	7,152	-
Book buses	-	885
Screening test packs	1,328	-
Advertising	324	-
Accountancy	300	-
Sundry expenses	253	328
Depreciation	753	-
Fundraising service	-	3,793
	<u>63,881</u>	<u>54,679</u>

5. Creditors: Amounts falling due within one year

Accruals	675	-
Other creditors	803	-
	<u>1,478</u>	<u>-</u>

Restricted Funds

	Balance 1 January 2001	Incoming Resources	Funds Resources	Balance 31 December 2001
	£	£	£	£
Projects	<u>-</u>	<u>13,050</u>	<u>(1,534)</u>	<u>11,516</u>
	<u>-</u>	<u>13,050</u>	<u>(1,534)</u>	<u>11,516</u>