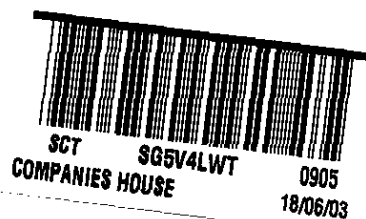


SC153321

Companies House
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DYSLEXIA SCOTLAND
(A company limited by Guarantee with Charitable Status)

FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2002



DYSLEXIA SCOTLAND
(A company Limited by Guarantee with Charitable Status)

REPORT AND ACCOUNTS

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DYSLEXIA SCOTLAND
(A company Limited by Guarantee with Charitable Status)

REPORTING ACCOUNTANTS

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

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

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

DIRECTORS' REPORT

The Directors submit their report and financial statements for the year ended 31st December 2002.

Background

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 2003 will be the 24th AGM our history and our files go back as far as 1968. Although the report refers to the year to 31 December 2002 it should be noted that during March 2003 the formal registered name of the company changed to 'Dyslexia Scotland'.

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

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

We continued throughout the year to disseminate information in different parts of the county and to different organisations. We have been invited to take part in workshops, seminars, talks, in service training etc, by all manner of organisations. The variety of organisations seeking our services continues to grow. As well as the obvious interest from schools, health workers, etc, a growing number of requests have been the Employers and Adult Literacy Organisations.

In the latter part of the year we worked closely with an Adult Basic Education department in a Local Authority compiling a "Tutor Training Manual". The Manual will be used to train voluntary tutors helping adults attending for basic literacy lessons as they seek the opportunity of a second chance to learn. Other Local Authority ABE departments have expressed an interest in this work.

As well as giving talks to various groups, our branches have organised many meetings with specialist speakers on a variety of subjects relevant to dyslexia and which are open to the public. These meetings have been well attended.

We have continued to influence policy at a national level by communicating with the Scottish Executive and responding to consultations documents. We have also communicated with MSPs.

At local level we influence policy in many ways. Among other things, several Local Authorities have requested that we send representatives to take part in Special Educational Needs Forums to ensure a dyslexia input.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

DIRECTORS' REPORT (ctd)

Review of the business (ctd)

We have continued to raise awareness of the nature of dyslexia and again, as demonstrated by our telephone help-line statistics, we have been successful in this respect. There has again been a considerable increase in the number of telephone calls we received, over 6,300 calls in the past year. This is a staggering 4 times greater than the number of calls we received during 1999. The nature of the telephone calls has not changed and 70% are still being received from parents of dyslexia children. Of the other 30% of calls many were from professional working in the field of dyslexia, teachers, doctors, psychologists, speech and language therapists, occupational therapists, etc. Others were from different statutory and voluntary groups, from dyslexic adults and an increasing number were received from employers. Employers wish to know how the new Disability Discrimination Act may affect their relationship with dyslexic employees in the future. The pattern of calls for assistance received by the branches is very similar to the head office pattern.

Our membership is steadily increasing throughout the country. We produce a magazine for our members, three times per year, 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. This year we created a new comprehensive "Brief Guide for Parents". The handbook has been very popular with both parents and teachers.

We receive numerous requests for names of private tutors. Having created a national list of tutors, taking full account of our duty of care and the new legislation in connection with criminal record checks, we have continued to expand the list. Many of the tutors (although not bound by law) have voluntarily supplied our office with copies of their Enhanced Criminal Record Certificates. This is helpful to parents when choosing a tutor for their child.

We continue to put people in touch with psychologists for private assessment and have a psychologist visiting our office at least once a month to carry out assessments.

In spite of our ever-increasing workload staff have coped admirably, however, it is essential that we again add to our staff complement in the coming year.

The head office continues to maintain links with many voluntary and statutory organisations. We work closely with our sister organisation in England, the BDA, and we are currently a member organisation of the European Dyslexia Association.

Our Annual National Conference held in September 2002, and entitled "Practice Makes Perfect", was attended by nearly 350 Delegates from all corners of Scotland. The vast majority of delegates were teachers but parents and many other professionals were present. According to the 300 evaluation sheets handed in at the end of the conference it was an extremely successful day and there were many requests for "more of the same" in 2003.

We held three successful conferences for dyslexic adults who are keen to help the organisation. During November 2002 the adults decided to start planning a large employer's dyslexia awareness conference to be held during March 2004.

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

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

DIRECTORS' REPORT (ctd)

Review of the business (ctd)

Our balance sheet at the end of year 2002 showed improvement over the previous year and we are again in the position of being able to plan for the future. This is the result of careful "house keeping" and continued support from the Scottish Executive, Enterprises & Lifelong Learning Department, the McRobert Trust, The Gulbenkian Trust and Lloyds TSB as well as the many other organisations and individuals who support our work.

During the year we were involved in negotiations with the Scottish Dyslexia Trust with a view to merging of the two charities. The over-riding reason for the merger is that one dyslexia organisation in our small country of Scotland will be able to more effectively represent the interests of the dyslexia population of Scotland, more efficiently. Negotiations are continuing.

Results for the year

A surplus of £15,847 (2001 - £36,652) 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 6.

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.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

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
Sheila Airth
Roy Burrell

Reporting Accountants

Gregor Clark & Co., Chartered Accountants, were re-appointed reporting accountants on 25 May 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

7 June 2003

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

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 2002 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

17 June 2003

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31st December 2002

	Notes	Unrestricted Funds General Fund	Designated Funds	Restricted Funds	Total Funds 2002	Total Funds 2001
		£	£	£	£	£
Income and Expenditure						
Incoming resources						
Donations & Legacies	2	39,278	-	-	39,278	54,096
Scottish Executive funding		27,810	-	-	27,810	27,810
Conferences		19,832	-	-	19,832	10,935
Branch fees and fundraising		352	-	-	352	1,594
Interest received		1,910	-	-	1,910	2,349
Other income	3	11,317	-	-	11,317	5,283
Total incoming resources		100,499	-	-	100,499	102,067
Resources expended						
Direct charitable expenditure		65,218	-	-	65,218	48,222
Management and administration of the charity		19,434	-	-	19,434	17,193
Total resources expended		84,652	-	-	84,652	65,415
Net movements in funds before transfers		15,847	-	-	15,847	36,652
Transfer between funds		4,016	-	(4,016)	-	-
Net movements in funds		19,863	-	(4,016)	15,847	36,652
Funds brought forward at 1 January 2002		51,518	-	11,516	63,034	26,382
Funds carried forward at 31 December 2002		71,381	-	7,500	78,881	63,034

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.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31st December 2002

	Notes	Unrestricted Funds General Fund	Designated Funds	Restricted Funds	Total Funds 2002	Total Funds 2001
		£	£	£	£	£
Income						
Donations & Legacies	2	39,278	-	-	39,278	54,096
Scottish Executive funding		27,810	-	-	27,810	27,810
Conferences		19,832	-	-	19,832	10,935
Branch fees and fundraising		352	-	-	352	1,594
Other income	3	11,124	-	-	11,124	5,283
		<u>98,589</u>	<u>-</u>	<u>-</u>	<u>98,589</u>	<u>99,718</u>
Expenditure						
Operating expenses	4	84,652	-	-	84,652	63,881
Projects		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,534</u>
		<u>84,652</u>	<u>-</u>	<u>-</u>	<u>84,652</u>	<u>65,415</u>
 Surplus/(Deficit) before						
Interest and transfers		13,937	-	-	13,937	34,303
Interest received		<u>1,910</u>	<u>-</u>	<u>-</u>	<u>1,910</u>	<u>2,349</u>
Surplus/(Deficit) for the year		<u>15,847</u>	<u>-</u>	<u>-</u>	<u>15,847</u>	<u>36,652</u>

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

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

BALANCE SHEET
As at 31st December 2002

	Notes	2002	2001
		£	£
Fixed Assets			
Tangible assets-Office Equipment		1,982	2,259
Current Assets			
Bank		78,199	61,967
Cash		29	36
Stock		250	250
		<u>78,478</u>	<u>62,253</u>
		80,460	64,512
Current liabilities: Amounts falling due within one year	5	<u>1,579</u>	<u>1,478</u>
Net assets		<u><u>78,881</u></u>	<u><u>63,034</u></u>
Capital and reserves			
Unrestricted funds:			
Designated funds		-	-
General funds		71,381	51,518
Restricted funds	6	<u>7,500</u>	<u>11,516</u>
		<u><u>78,881</u></u>	<u><u>63,034</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 2002.

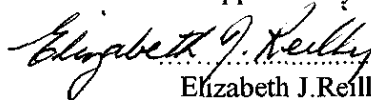
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

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 7 June 2003 and were signed on its behalf by

 Director
Elizabeth J. Reilly

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

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2002

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
------------------	-------------------

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 Directors 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.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31st December 2002

	2002	2001
	£	£
2. Donations & Legacies		
General Fund		
Dulverton Trust	-	20,000
Legacy-Mr Robert Davidson	21,500	-
Lloyds TSB	9,500	9,000
C G Foundation	5,000	5,000
MacRobert Trust	-	5,000
ASmith – Legacy	-	5,000
LABDA	-	1,020
B of S Charities Aid	-	2,000
Brethenham D F	-	2,000
Other donations under £1,000	3,278	5,076
	39,278	54,096
	<u>39,278</u>	<u>54,096</u>
3. Other Income		
Sale of books and publications	4,015	1,482
Workshops and screening fees	1,013	355
Memberships	5,493	2,987
Branch Cont. – P I Insurance	53	318
Sundry income	743	141
	11,317	5,283
	<u>11,317</u>	<u>5,283</u>
4. Detailed operating expenses		
Premises	8,723	7,969
Staff salaries	44,880	31,277
Office expenses	8,975	8,949
Travel	1,790	3,086
Professional Indemnity Insurance	426	484
Subscriptions	2,110	983
Books and publications	1,756	1,023
Conferences and courses	11,573	7,152
Screening test packs	440	1,328
Advertising	1,810	324
Accountancy	402	300
Legal expenses	370	
Sundry expenses	249	253
Depreciation	912	753
Repairs & renewals	236	-
	84,652	63,881
	<u>84,652</u>	<u>63,881</u>

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee with Charitable Status)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
For the Year Ended 31st December 2002

	For the Year Ended 31st December 2002		2002	2001
			£	£
5. Creditors: Amounts falling due within one year				
Accruals			725	675
Other creditors			854	803
			<u>1,579</u>	<u>1,478</u>
6. Restricted Funds				
	Balance 1 January 2002	Incoming Resources	Funds Utilised	Balance 31 December 2002
	£	£	£	£
Projects	11,516	-	(4,016)	7,500
	<u>11,516</u>	<u>-</u>	<u>(4,016)</u>	<u>7,500</u>