

DYSLEXIA SCOTLAND

(A Company Limited by Guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

Charity no: SC000951

Company Number: SC153321

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DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

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DYSLEXIA SCOTLAND
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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013

The Directors (who are Trustees for the purposes of Charity Law) submit their report together with the financial statements for the year ended 31 March 2013.

Reference and Administrative Information

Charity name	Dyslexia Scotland
Charity number	SC000951
Company number	SC153321
Registered Office and Operational address	2 nd Floor East Suite Wallace House 17-21 Maxwell Place Stirling FK8 1JU

Directors	David Shaw	Chair
	Susan Agnew	
	John Andrew	
	Mary Jane Bird	
	Fiona Dickinson	
	Mary Evans	
	Michael Gibson	Appointed November 2012
	David Jones	Appointed November 2012
	Jim McGregor	
	Colin Williamson	Resigned July 2012

Chief Executive and Company Secretary	Cathy Magee
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Auditors	Bill Hay Network Ltd t/a Bill Hay & Co. Certified Chartered Accountants 24a Melville Street Edinburgh EH3 7NS
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Bankers	The Royal Bank of Scotland PLC Alloa Branch 19 High Street Alloa FK10 1JF
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DYSLEXIA SCOTLAND
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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Structure, governance and management

Governing document

Dyslexia Scotland was formed in 2003 and is recognised as the major organisation representing the needs and views of dyslexic people in Scotland. Dyslexia Scotland is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20th March 2003 and subsequent versions as changed by Special Resolution on 20th May 2005, on 4th October 2009, on 13th November 2010 and on 17th November 2012. It is registered as a charity with the Office of the Scottish Charity Regulator and with HM Revenue and Customs.

Governing Structure and Appointment of Directors

Dyslexia Scotland consists of the Board of Directors, the Members' Representative Council, local Branches, the Adult Network and individual Members. In the reporting period, there were five members, of staff, two of whom were part time, from April 2012. Dyslexia Scotland now has six staff members, four full-time and two part-time. The Board is made up of a minimum of five and a maximum of nine Directors, no fewer than two of whom are Council members nominated by the Council. The Members' Representative Council which advises the Board is comprised of all current Directors of the company, the Company Chair, one representative of each of the Branches, one member of the Adult Network and any other persons as appointed by the Council. The minimum number of members of the Council is two Directors and two Branch representatives.

The Company Chair and Directors are elected at the Annual General Meeting. The Company Chair, who must be a member, acts as the Chair of the Board of Directors. Re-appointment of Directors by members at the Annual General Meeting may occur on a rolling basis following every three-year term served by each Director. The Directors may also co-opt other persons to the Board of Directors, with a limit of two persons at any one time.

Director induction and training

After election an induction programme is offered to all new Directors. In addition all Directors receive ongoing access to training as appropriate and an information pack that contains the Memorandum and Articles of Association, roles and responsibilities of being a Director, and background information on the charity.

Organisation

The full Board of Directors meets at least quarterly (in the reporting period it met five times). There are six Strategic Plan Sub Groups responsible for implementing key aspects of the three year strategic plan. These Sub Groups report to the Board of Directors. The Board receives accounts at each meeting. The Board also spends a day each year undertaking a strategic review and forward planning for the charity. Progress against strategic objectives is discussed at each meeting. The Board has delegated powers to make certain day-to-day decisions regarding the charity's operations to the Chief Executive. A work plan and budget is agreed by the Board. The strategic plan in operation during the reporting period started at the beginning of April 2012. This new three year plan was produced following extensive consultation with Dyslexia Scotland's members in 2011, for implementation from April 2012 until March 2015.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)
Structure, governance and management (continued)

Risk management

The annual strategic review and forward planning event considers the risks to which the charity is exposed and identifies what needs to be in place to manage these risks through the year. The risks faced by the company fall into two categories, internal and external.

The Board of Directors completes a Risk Management Analysis each year and reviews it at regular intervals. 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 company. The current economic climate continues to present challenges for Dyslexia Scotland, which the Board will manage and monitor. However the continued support from both private and public sectors is encouraging and should ensure the long-term financial stability of the company.

Any variation from the business has an associated risk assessment that is presented to the Board of Directors.

Related parties

Dyslexia Scotland works closely with the Scottish Government and other funding partners such as Education Scotland to manage and contribute to funded research projects, such as the 'Addressing Dyslexia' toolkit resource launched in September 2012: www.addressingdyslexia.org , and the DVD for prisoners, 'Dyslexia, Learning & You' launched in May 2012 and the dissemination of these resources and projects.

Objectives and activities

Dyslexia Scotland is recognised as the national voluntary organisation representing the needs and views of dyslexic people in Scotland.

Dyslexia Scotland aims "to encourage and enable people with dyslexia, regardless of their age and abilities, to reach their full potential in education, employment and in life" through:

- The advancement of education of persons in Scotland who have dyslexia or related conditions
- The provision of training for teachers specially for dyslexic persons; and
- The advancement of the education of the general public throughout Scotland concerning dyslexia and all other forms of dyslexic conditions.

The four strategic aims for 2012 – 2015 are as follows:

In order to inspire and enable those with dyslexia to reach their potential, we, as Scotland's national organisation for dyslexia, aim:

1. To provide and promote high quality services
2. To influence and achieve positive change at a national and local level
3. To give people with dyslexia a strong individual and collective voice
4. To develop and maintain a sustainable and coherent structure within Dyslexia Scotland

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Objectives and activities (continued)

Dyslexia Scotland provides certain core services:

- the confidential National Helpline
- a national Tutor List
- an in-house Resource Centre, information leaflets and guides
- assessments for children and adults at our premises
- conferences, road shows and other training events
- support of a range of initiatives and projects for the Scottish Government and other partners
- support for existing Branches and the development of new ones
- an Adult Network that meets quarterly
- a range of local services provided through the volunteer-led branch network
- a quarterly magazine for members
- a website – www.dyslexiascotland.org.uk and active social networks

Achievements and performance

The first Annual review of Dyslexia Scotland's three-year strategic plan (2012 – 2015) showed that the majority of the key targets had been met or exceeded in the first year of the plan.

Key highlights during the reporting period under each of the four strategic aims are as follows:

Aim One - High quality services for children, young people and adults with dyslexia

- There were a total of 1629 calls to the Helpline and 482 enquiries for tutors (an increase of 144 since last year). Of these tutor enquiries, 84% were for tutors for children and young people and 16% for adults. The top 4 reasons for calling the Helpline were to find out about Assessments, Private tuition, General information and Workplace issues. 61% of the Helpline calls were from parents about children, 28% were from adults, with the remaining 11% of calls from others who support or work with dyslexic people.
- The website continues to receive very positive feedback. It had 3,598,604 hits and the number of visitors (218,497) has increased by over 26% compared to the same period the previous year. Our Facebook page now has 1406 "Likes" and Twitter has 1440 followers at the time of writing. These social networks are an excellent way of reaching people interested in dyslexia to inform them about relevant issues and news items, to interact with people with dyslexia, their families and others who support them as well as employers, professionals and members of the public. Dyslexia Scotland set up a Blog, 'A life less ordinary' in February 2013 for anyone to share their experiences about dyslexia.
- The 'Dyslexia Voice' magazine received very positive feedback and high quality contributions from our members to each edition. The magazine 'themes' in the reporting period were: 'Challenging behaviour', 'Maths', 'Sport and 'Memory'. Our thanks go to Aberdeen Global Asset Management whose generous sponsorship of the magazine since the March 2012 edition is greatly appreciated.
- Once again, a diverse range of small and larger scale events were held, co-ordinated by our Events team and volunteers, with over 1600 participants during the year. These included 4 Road shows in Forfar, Inverness, Oban and Greenock; numerous 'Spotlight on Dyslexia' Dyslexia Awareness Week activities across Scotland run by valued partners including Edinburgh City Libraries, Filmhouse, branches; 8 training events for employers, prison staff and teachers; the Education conference on the theme of Addressing Dyslexia; 4 Adult Network meetings; 2 Tutors' Seminars and 4 training events for volunteers.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Achievements and performance (continued)

Aim One - High quality services for children, young people and adults with dyslexia (continued)

- Following the popularity of two Dyslexia Awareness Week screenings in Edinburgh and Glasgow of the 'Big Picture: Rethinking Dyslexia' film, further screenings and panel discussion were run by branches across Scotland, attended by 240 people in total. These were in addition to the regular public open events run across Scotland by the 15 volunteer-led branches, attended this year by a total of 1870 people.
- 55 assessments (for 11 adults and 44 children) were carried out in the reporting period on our premises by psychologists Dr. Gavin Reid, and Dr. Jennie Guise. This service continues to receive very positive evaluation by those who were assessed and bookings for the service continue to be fully subscribed.

What difference do these services make to the people who use them?

"David McLoughlin's opening speech was great – very informative and easy to listen to."

"Paul McNeill was simply inspirational and made me cry!! So good to hear from an adult dyslexic about his childhood, If that doesn't change how we think/feel/approach Dyslexia, nothing will!"

"Very good presentation – pupils were brilliant."

('Addressing Dyslexia' Education conference delegates, September 2012)

"I enjoy the satisfaction of helping especially parents who feel either frustrated or concerned when told a child is dyslexic."

"Working with Dyslexia Scotland has given me a lot of personal satisfaction and motivation. It has allowed me not only to continue to use my skills but to develop these further since retiring last year."

(Comments from national and local volunteers)

"The best part of branch meetings is being able to share experiences and find there are solutions and that it is not a lonely road."

"Thanks for a really informative event – great talks and really helpful staff to talk to. We appreciate you bringing the road show to our area."

(Comments from people attending branch meetings and Road shows).

"The tutor has improved my daughter's confidence and performance in maths, which is her biggest issue. She [the tutor] is dedicated, professional and imaginative in her approach."

"The Tutor list helped me to take the first steps to getting real control of the support for my son. I found a great tutor who has been very supportive."

(Parents about the Dyslexia Scotland Tutor service)

"The Addressing Dyslexia Toolkit looks like a fabulous resource – very thorough. Thank you for directing me to it."

(Follow up to a call to our Helpline)

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Achievements and performance (continued)

Aim Two - Influencing positive national change: key highlights

- Sir Jackie Stewart campaigns passionately and tirelessly as President of Dyslexia Scotland on behalf of people with dyslexia of all ages. Key achievements led by Sir Jackie in the reporting period have included further visits to prisons and working with prisoners and ex-offenders; highlighting the impact of unsupported dyslexia on children, young people and adults with dyslexia with the First Minister, Cabinet Ministers and potential funding partners and supporters to enable Dyslexia Scotland to meet the increasing demand for support and services from people with dyslexia.
- In May 2012, Sir Jackie and the Board of Directors formed a group of high profile Dyslexia Scotland Ambassadors. Those Ambassadors, notable in various parts of Scottish society signed up to help Dyslexia Scotland raise awareness about dyslexia and have been proactively doing so ever since. Our thanks go to Keith Cook, Paul McNeill, Nicola Morgan, Steven Naismith, Mark Stoddart, Ben Thomson and Chris Tiso – as well as to our first Young Person's Ambassador, Ellie.
- In August 2012, our Board Chair, Chief Executive and Education Adviser met with the First Minister Alex Salmond for a very productive meeting, covering Dyslexia Scotland's core funding; opportunities for fundraising and ways of thanking our volunteers, supporters and staff (a memorable Edinburgh castle reception took place in May 2013); a follow up of the 2008 HMIE 'Education for learners with dyslexia' review, (this has since been commissioned through Education Scotland). Further details about the funding are outlined under Aim 4, below.
- The 'Dyslexia, Learning and You' DVD was launched in May 2012 by Dr. Alasdair Allan, Minister for Learning, Science and Scotland's Languages at Perth prison. The DVD, which won an award from the Institute for Internal Communicators in March 2013, has been distributed for use in every prison across Scotland. Dyslexia Scotland continues to work in prisons in different ways, for example as an active partner in the implementation of a literacy strategy in Saughton prison, taking part in interviews on radio stations such as at Polmont and dyslexia awareness training for prison staff.
- The extended online "Addressing Dyslexia' Toolkit website was relaunched by Dr. Alasdair Allan at the Scottish Learning Festival in September 2012. The launch coincided with awards to competition winners for dyslexia resources for the Toolkit. The Toolkit Working Group chaired by Dr. Margaret Crombie continues to meet regularly to update as well as actively disseminate the Toolkit through seminars, conferences and displays.
- A Dyslexia Debate took place in the Scottish Parliament in October 2012, promoting the Addressing Dyslexia Toolkit and calling for consideration of a similar Toolkit to be developed for Adults.
- In November 2012, our first Young Person's Ambassador, Ellie, joined the Ambassadors' Group following the hugely successful launch of her Blue Ribbons Dyslexia campaign in Dyslexia Awareness Week which received wide media coverage and moving feedback from young people with dyslexia and their parents
- Dyslexia Scotland ran a stimulating and varied programme of events across Scotland in Dyslexia Awareness Week 2012 on the theme of 'Spotlight on Dyslexia', in partnership with Edinburgh City Libraries and other libraries, Edinburgh Filmhouse, Glasgow Film Theatre and our network of branches around Scotland. This annual series of events is a key vehicle for raising awareness about dyslexia, influencing change and signposting people to our services and support
- We also influence policy and practice in a number of ways, including through participating in national working groups such as those associated with 'Teaching Scotland's Future', the teacher education review carried out by Professor Graham Donaldson; membership of the Cross-Parliamentary Group on Dyslexia and regular meeting with Ministers and civil servants

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Achievements and performance (continued)

Aim Three - Giving people with dyslexia a strong individual and collective voice

This is a new aim, introduced into the 3-year Strategic Plan for 2012 – 2015 for the first time. It includes the work of our Ambassadors as well as supporting others with dyslexia to participate in consultations and to tell their story through the media, conferences and seminars. Key highlights:

- We responded to 4 consultations in the reporting period: SQA on Reasonable adjustments for disabled in National Qualifications; Scottish Government on Children and Young People's Bill; Electoral Commission on the Independence Referendum wording; Scottish Government on Letter of Rights for people held in police custody
- Articles by people sharing their experiences of dyslexia appear in every edition of the Dyslexia Voice for our members
- Our blog, 'A life less ordinary', launched in February 2013, offers guest bloggers to share their thoughts on anything connected with dyslexia
- Adults and young people with dyslexia have given presentations throughout the year at a range of different events highlighted under Aim 1, including our Ambassadors, volunteers, branch representatives and members

Aim Four - Sustainable structure within Dyslexia Scotland: Key highlights

Governance:

- The Board met five times in the reporting period as well as actively serving on the Strategic Plan sub groups throughout the year.
- The Funding Group has continued to take a proactive and systematic approach to securing sustainable funding in order to deliver our strategic aims. Despite the ongoing challenges in the current financial climate, following discussions, meetings and funding applications during the reporting period, we were successful in securing additional core funding from the Scottish Government and from Education Scotland as one of their Strategic Funding Partners, starting from April 2013 for 2 years.
- Two artistic Fundraising projects were initiated in the reporting period, both of which have helped to raise the profile of Dyslexia Scotland as well as funds. Firstly, a painting of Sir Jackie Stewart in a 1969 Grand Prix race was kindly donated to Dyslexia Scotland by artist Jonathan Mitchell in early 2013. Secondly, the proceeds from a painting by Dame Elizabeth Blackadder commissioned for the First Minister's Christmas card appeal 2012 were shared between 4 nominated charities, including Dyslexia Scotland. Both paintings were sold at auction in September 2013 and limited edition prints of them both are still available for fundraising purposes. Our sincere thanks go to both artists, to Bonhams for their support with the painting displays and auction and to Robin Jeffrey who organised the Jonathan Mitchell project.

Premises:

- Dyslexia Scotland moved to a new office at Wallace House in Stirling on 1st October 2012, a move that will make significant annual core savings whilst also providing more flexible space for the staff team and external meetings. Our thanks go to everyone involved in the preparations before leaving our old premises at Wellgreen in Stirling, in the move itself and during the settling in period at Wallace House.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Achievements and performance (continued)

Aim Four - Sustainable structure within Dyslexia Scotland: Key highlights (continued)

Staffing

- During the reporting period, three new members of staff joined the Dyslexia Scotland team between March and June 2012. Celia Richardson, Tutor Administrator, Katrina O'Brien, Volunteers Manager and Lena Gillies, National Development Officer. Staff induction took place over the next 6 months. This, combined with the move to new premises in October, meant that it was a time of enormous change for the whole staff team, who are to be congratulated for adjusting to the internal changes while still delivering the outcomes outlined in the rest of the report.

Branches:

- In the reporting period there were 15 volunteer-led local branches in the network across Scotland offering support at a grassroots level. One of these branches, Dyslexia South West, was finalising the process of transferring its branch under Dyslexia Scotland's charity number. Work was also underway by Lena Gillies to start new branches in Angus, Glasgow East Renfrewshire and Inverclyde.

Membership:

- The number of people taking up our services at national and local levels over the past year has continued to increase. Dyslexia Scotland's membership numbers have increased to 660 at the time of writing. Our branches have been actively promoting the benefits of membership at their branch meetings throughout the year.

Volunteers:

- Our new Volunteers Manager, Katrina O'Brien, started in post in April 2012. There were 80 active volunteer roles within HQ in the reporting period with a significant increase in the number of volunteering hours at national level, in addition to at least 75 branch committee members who help at local level. The national roles include Helpline volunteers (who received refresher training with the help of a grant from BNY Mellon); advisory and governance support, book keeping; leaflet development and dissemination; awareness-raising trainers and speakers; administration support; evaluation; Resource Centre support; research; Careers advisers; fundraisers; Adult Network chair; event support and delivery; photographers; artists; project organisers; social media.
- Volunteer training events are run every 6 months and offer an opportunity for new volunteers to receive a volunteer induction, for existing volunteers to network and to build up their skills both as part of their personal development and in order to carry out their volunteer roles effectively
- In January and February 2013, 6 trained Careers advisers took part in induction training to join the new Careers Adviser pilot service. This service matches job seekers with dyslexia with trained advisers to help with job searches, application process and interview techniques. The outcomes will be monitored as this pilot develops.
- The Strategic Plan is delivered by six sub groups (Funding, Membership, Media Advice, Events, Publications, Policy) who report to the Board of Directors on progress between meetings.

Financial review

A surplus of £52,689 arose during the year (2012: deficit £54,607). During the year fourteen (2012: fourteen) branches operated under the charity number of Dyslexia Scotland and are incorporated in the accounts. At the year end £167,700 (2012: £115,011) of reserves remained unspent and carried forward.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Financial review (continued)

Principal funding sources

Dyslexia Scotland was the recipient of a number of generous donations in the financial year 2012-13. These include the continued funding for the Chief Executive post from Walter Scott, funding from the Eranda Foundation for the National Development Officer post and support from the Robertson Trust, Jim McColl, Clyde Blowers Ltd and ClydeUnion Pumps for the Volunteers Manager post. We also received a £50,000 donation from the George Livanos Foundation and a number of donations from individual supporters throughout the year. We wish to record our warmest appreciation for these generous donations.

Other principal funding sources for the year under review are: the Scottish Government (core and training grants as well as funding for the Addressing Dyslexia Toolkit), a deferred grant from the previous year from BNY Mellon for Helpline volunteer training, donations, and income generated by the activities of the charity such as the Education Conference, training and assessments. Other than funding from the Scottish Government, and the sources mentioned above, the principal funding sources have been unrestricted contributions to the core costs of the charity and as such have been applied in support of all its key objectives.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to invest any money that the company does not immediately require in any investments, securities or properties. As there are few funds for long-term investment the Directors, having regard to the liquidity requirements of operating the charity and to the reserves policy, have operated a policy of keeping available funds in an interest bearing bank account.

Reserves policy

The Board has set a target to build its reserves to a level equivalent to three months running costs for the organisation.

Statement of directors' responsibilities

The directors (who are also trustees for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

Statement of directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which 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. They are 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.

Disclosure of information to auditors

In so far as the directors are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and each director has taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation of and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors

The directors, who are 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 1.

In conclusion

As this report has highlighted, 2012–13 has been an extremely productive year during which the key targets set out in the new Strategic Plan were met and in several cases exceeded. We would like to thank our President, Vice President and Ambassadors and everyone on the Board and Council, branches, volunteers and staff for their hard work throughout the year, as well as our members and supporters for their ongoing dedication to Dyslexia Scotland's work. There have been a number of staff changes during the reporting period and we are grateful to existing and new staff for their dedication and support during a period of significant change, including the move to new premises in October 2012.

Despite the ongoing challenge of securing funding to support the already high levels of demand and to expand and improve our services, this has been a highly successful year in achieving this objective. The Funding Group, together with the influential support of our President, has been successful in securing new and renewed sources of funding for the future. Dyslexia Scotland is therefore in a far stronger position over the coming year than it has been to date. Specifically, we are delighted that the commitment to fund the costs for the post of the Chief Executive was renewed for a further 3 years in October 2013 and grateful to Dr. Walter Scott for this renewed support. We greatly appreciate the Robertson Trust's commitment to extend their initial 1 year support of a grant towards the Volunteers Manager post for the next 2 years from April 2013. Furthermore, the increase in the Scottish Government core funding and the Strategic Funding Partnership grant with Education Scotland (April 2013 – April 2015) is much valued as it will enable Dyslexia Scotland to deliver our Strategic and operational aims.

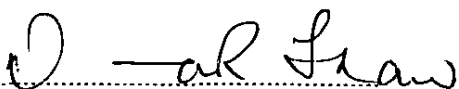
Auditors

A resolution to appoint auditors will be proposed at the Annual General Meeting.

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting of Charities (issued in March 2005) and in accordance with the provision of Part 15 of the Companies Act 2006 relating to small entities.

A handwritten signature in black ink, appearing to read 'David Shaw', is written over a horizontal dotted line.

David Shaw
Chairman

23 November 2013

DYSLEXIA SCOTLAND
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DYSLEXIA SCOTLAND

We have audited the financial statements of the Dyslexia Scotland for the year ended 31 March 2013 set out on pages 14 to 24 which comprise of the Statement of Financial Activities, 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibility Statement set out on page 8, the directors (who are also trustees for the purposes of charity 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 auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you 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 (United Kingdom and Ireland). Those standards require us to comply with the Audit Practice Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of 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 directors; and the overall presentation of the financial statements.

In addition, we read all the financial information and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

DYSLEXIA SCOTLAND
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DYSLEXIA SCOTLAND (CONTINUED)

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 2013 and of the 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 directors' remuneration required by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

Bill Hay Network Ltd t/a Bill Hay & Co

Norma Wilson CA (Senior Statutory Auditor)
For and on behalf of Bill Hay Network Ltd t/a Bill Hay & Co., Statutory Auditors
24a Melville Street
Edinburgh

28 November 2013

Bill Hay Network Ltd trading as Bill Hay & Co. is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

DYSLEXIA SCOTLAND
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STATEMENT OF FINANCIAL ACTIVITIES
(Including Income & Expenditure Account)
For the Year Ended 31 March 2013

	Notes	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
<i>Voluntary income:</i>					
Grants	2	3,840	205,212	209,052	173,966
Donations and legacies	3	76,998	-	76,998	36,023
<i>Investment income</i>	4	2,565	1,433	3,998	1,049
		83,403	206,645	290,048	211,038
<i>Incoming resources from charitable activities:</i>	5	56,542	5	56,547	53,201
Total incoming resources		139,945	206,650	346,595	264,239
Resources expended					
<i>Charitable activities</i>					
Projects	6	2,297	24,680	26,977	61,151
Helpline and advice	6	36,446	122,334	158,780	143,284
Training and conferences	6	31,366	57,206	88,572	93,397
		70,109	204,220	274,329	297,832
<i>Governance costs</i>	6	12,113	7,464	19,577	21,014
Total resources expended		82,222	211,684	293,906	318,846
Net income/(expenditure) for the year before transfers		57,723	(5,034)	52,689	(54,607)
<i>Reconciliation of funds:</i>					
Total funds brought forward		73,785	41,226	115,011	169,618
Total funds carried forward	17	131,508	36,192	167,700	115,011

The statement of financial activities includes all gains and losses recognised in year.
All incoming resources and resources expended derive from continuing activities.
The notes at pages 16 to 24 form part of these financial statements.

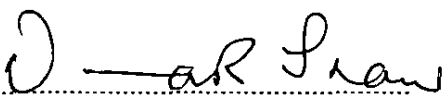
DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

BALANCE SHEET
As at 31 March 2013

	Notes	2013	2012
		£	£
Fixed assets			
Tangible fixed assets	11	3,035	4,105
Current assets			
Stock		5,603	6,803
Debtors and accrued income	12	6,224	1,190
Cash at bank and in hand		200,985	224,571
Cash at bank and in hand – branches		<u>25,711</u>	<u>22,619</u>
		238,523	255,183
Current liabilities			
Creditors falling due within one year	13	73,858	144,277
Net current assets		164,665	110,906
Net assets		<u>167,700</u>	<u>115,011</u>
The funds of the charity			
Unrestricted general income funds		131,508	73,785
Restricted income funds		36,192	41,226
	17	<u>167,700</u>	<u>115,011</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23 November 2013 and were signed on its behalf by:



David Shaw
Chairman

Company number: SC153321

The notes at pages 16 to 24 form part of these financial statements.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2013

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below:

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 2006.

(b) Fund Accounting

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

(c) 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:

- 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. Income is deferred when performance related grants are received in advance of the performances or event to which they relate.

(d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. The company is not registered for VAT and accordingly irrecoverable VAT is charged against the category of resources expended to which it relates.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its beneficiaries. It includes both the direct costs and indirect costs necessary to support these activities.
- 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.
- Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis e.g. estimated usage, staff costs by the time spent.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

(e) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those costing below £50 are not capitalised. Depreciation is provided at annual rates calculated to write off the cost of each asset over its expected useful life, as follows:

Office equipment	25% straight line
------------------	-------------------

(f) Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

(g) Leasing

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

(h) Pensions

Dyslexia Scotland does not operate a company pension scheme. Dyslexia Scotland contributes a sum between 5% and 8% of the salary of each employee towards any private pension taken out by that employee.

The pension charge in these accounts is the amount of contributions payable in the accounting year.

(i) Legal status

The organisation is a charitable company limited by guarantee and has no share capital. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

(j) Going concern

The financial statements have been drawn up on the going concern basis, which assumes that the charity has sufficient liquid resources to enable it to meet its liabilities as they fall due in the foreseeable future.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

2. Grant income

	2013 £	2012 £
Restricted funds:		
Scottish Government - HQ Grant	38,000	38,000
- Assessments Grant	11,886	9,253
- Training Grant	9,971	-
- Capital Grant	-	913
- Prison DVD	-	20,000
- Adult Conference	-	5,677
Eranda Foundation	31,106	28,754
Sir Walter Scott	65,004	65,004
The Robertson Trust	9,500	-
Clyde Union Pumps	10,000	-
Clyde Blowers Ltd	10,000	-
Jim McColl	7,500	-
Other Grants	12,245	3,365
	205,212	170,966
Unrestricted Funds:		
Sus it Out Dyslexia Lanarkshire	-	1,500
Sus it Out Dyslexia South East	-	1,500
Co-operative Group Community Fund Dyslexia Hebrides	1,880	-
Young Scot Dyslexia North East	1,000	-
Voluntary Action Fund Dyslexia Borders	960	-
	3,840	3,000
	209,052	173,966

3. Donations and legacies

	2013 £	2012 £
Unrestricted general funds:		
Other donations under £1,000	11,308	5,684
Other donations over £1,000	8,828	8,000
George P. Livanos Foundation	50,000	-
Gift Aid tax recovered	2,173	1,601
Diageo Ltd	-	10,000
Branches - donations	3,440	1,522
Branches - cash reserves introduced	1,249	9,216
	76,998	36,023

4. Investment income

Investment income relates to interest earned on bank accounts. Included in this amount is £7 (2012: £4) which relates to interest earned on the branches' bank accounts.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

5. Incoming resources from charitable activities

	2013	2012
	£	£
Unrestricted general funds:		
Membership fees	12,958	13,042
Membership fees – NHS Education for Scotland	-	3,000
Conference fees	29,133	17,860
Training income	4,226	1,774
Training income – NHS Education for Scotland	-	4,984
Edinburgh City Library book contribution	-	1,500
Assessment income	3,582	4,756
Dyslexia and Us book sales	2,143	2,912
Sundry income	969	782
Branches – other income	3,531	2,372
	56,542	52,982
Restricted funds:		
DSSE Project – packs and training	5	115
Arnaud CD	-	104
	5	219

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

6. Resources expended

	Projects £	Helpline & advice £	Training & conferences £	Governance £	2013 Total £	2012 Total £
Direct costs						
Staff costs	16,370	104,361	34,787	8,185	163,703	138,305
Staff travel & subsistence	489	3,116	1,039	244	4,888	4,846
Board costs	-	-	-	3,308	3,308	4,458
Volunteer expenses	-	844	1,662	132	2,638	4,718
Training	-	-	522	-	522	461
Books & publications	1,200	-	-	-	1,200	1,691
Education conference costs	-	-	16,040	-	16,040	14,371
Adult conference costs	-	-	38	-	38	4,345
Roadshows	-	3,234	-	-	3,234	594
RBS Projects	150	-	-	-	150	13,291
Advertising	-	393	774	62	1,229	1,587
Professional indemnity	-	121	238	19	378	194
Accountancy & payroll	-	155	304	24	483	513
Audit fees	-	-	-	1,625	1,625	1,740
Fundraising	-	-	-	-	-	97
Branch costs	-	9,317	-	-	9,317	11,436
Assessment Working Group	7,277	-	-	809	8,086	9,253
Website	-	-	-	-	-	1,450
Dyslexia Awareness Week	471	-	-	-	471	496
Strategic Planning Day	-	-	-	-	-	1,901
DVD Costs	264	-	-	-	264	18,938
NHS Education for Scotland	130	-	-	14	144	4,547
Dyslexia Scotland Fife Project	626	-	-	-	626	-
Support costs						
Premises	-	24,284	8,095	1,704	34,083	32,148
Office expenses	-	10,683	21,031	1,669	33,383	35,268
Professional fees	-	205	403	32	640	4,297
Subscriptions	-	138	271	21	430	435
Depreciation	-	588	1,159	92	1,839	2,227
Branch expenses	-	219	-	-	219	324
Recruitment costs	-	-	-	1,462	1,462	1,862
Sundry	-	1,122	2,209	175	3,506	3,053
	26,977	158,780	88,572	19,577	293,906	318,846

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

7. Staff costs and numbers

	2013	2012
	£	£
Salaries and wages	143,976	119,790
Social security costs	13,751	11,708
Pension costs	5,976	6,807
	163,703	138,305

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

The average number of employees during the year was as follows:

	2013	2012
	Number	Number
Charitable projects	3	2
Administrations and support	3	3
	6	5

8. Directors' remuneration and related party transactions

During the period under review, 2 directors received reimbursement for expenses incurred amounting to £1,434 (2012: three directors £3,556). The expenses included travel, subsistence and other miscellaneous expenses.

No other members of the board of directors received any remuneration during the year.

No other director or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2012 – nil).

9. Movement in total funds for the year

	2013	2012
	£	£
This is stated after charging:		
Depreciation	1,839	2,228
Auditor's remuneration:		
External audit	1,800	1,740

10. Taxation

The company is a registered charity and no provision is considered necessary.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

11. Fixed assets

	Office Equipment £	Total £
Cost		
As at 1 April 2012	29,672	29,672
Additions	769	769
As at 31 March 2013	<u>30,441</u>	<u>30,441</u>
Depreciation		
As at 1 April 2012	25,567	25,567
Charge for year	1,839	1,839
As at 31 March 2013	<u>27,406</u>	<u>27,406</u>
Net Book Value		
As at 31 March 2013	<u>3,035</u>	<u>3,035</u>
As at 31 March 2012	<u>4,105</u>	<u>4,105</u>

12. Debtors falling due within one year

	2013 £	2012 £
Trade debtors	3,056	1,190
Prepayments	3,168	-
	<u>6,224</u>	<u>1,190</u>

13. Creditors falling due within one year

	2013 £	2012 £
Trade creditors	865	9,530
Social security and other taxes	3,941	3,303
Accruals	9,767	20,422
Deferred income (note 14)	59,285	111,022
	<u>73,858</u>	<u>144,277</u>

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

14. Deferred income

	2013 £	2012 £
As at 1 April 2012	111,022	110,737
Released to incoming reserves	(55,237)	(38,368)
Deferred in the year	3,500	38,653
As at 31 March 2013	59,285	111,022

Income is deferred in accordance with the accounting policy and includes amounts deferred with respect to the Eranda Foundation, Scottish Government and the Bank of New York Mellon.

15. Pensions

The company contributes to employees defined contribution person pension plans schemes. The pension cost charge represents contributions payable by the company to those plans and amounted to £5,976 (2012: £6,807). There were no outstanding contributions (2012: £nil) at the balance sheet date.

16. Analysis of net assets between funds

	Total Funds 2012 £	Unrestricted General Funds £	Restricted Funds £	Total Funds 2013 £
Tangible fixed assets	4,105	2,578	457	3,035
Current assets	255,183	150,780	87,743	238,523
Current liabilities	(144,277)	(14,573)	(59,285)	(73,858)
Net Assets	115,011	138,785	28,915	167,700

17. Movement in funds

	As at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	As at 31 March 2013 £
Unrestricted general funds	73,785	139,945	(82,222)	131,508
Restricted funds	41,226	206,650	(211,684)	36,192
Net Assets	115,011	346,595	(293,906)	167,700

The restricted reserves comprise amounts received from the Eranda Foundation, Scottish Government for the Addressing Dyslexia Toolkit and BNY Mellon unspent at the year end.

DYSLEXIA SCOTLAND
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 March 2013

18. Operating lease commitments

As at 31 March 2013 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other operating leases	
	2013	2012	2013	2012
	£	£	£	£
<i>Operating leases which expire:</i>				
Between two and five years	19,008	-	14,674	-