

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITEDREPORT OF THE BOARD OF GOVERNORS

The Governors submit their report and financial statements for the year ended 31 December 1994.

Results

The total income of the Foundation for the year was £293,420 of which £61,800 was contributions from constituent bodies, £7,720 donations and £223,900 consisted of income from registration and examination fees, royalties on books and interest received.

After taking into account total expenditure of £288,398, the surplus for the year amounted to £5,022 and the retained surplus carried forward now stands at £105,003.

Principal activities of the Foundation

The Foundation promotes, for the general benefit of the public, the advancement of communication, advertising and marketing education.

It administers examinations at Certificate and Diploma levels on behalf of the advertising, public relations and associated businesses forming the Constituent Bodies. The Foundation is registered as a Charity (number 313423).

Future developments

The Foundation intends to continue to promote the advancement of the activities in which it is involved.

Governors

The names of persons who were Governors of the Foundation during the year are listed on page 3.

The Co-opted Governors retire under Article 38 and will be eligible for re-election at the next meeting of Governors after the conclusion of the Annual General Meeting.

The Nominated Governors retire under Article 39 and will thereupon be eligible for re-nomination in accordance with Article 35A.

Fixed assets

The changes which occurred in fixed assets are set out in the notes to the financial statements.

Statement of governors' responsibilities

Company law requires the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The governors 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.



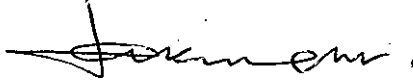
THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

REPORT OF THE BOARD OF GOVERNORS (Continued)

Auditors

A resolution to reappoint Barron Rowles Bass as auditors will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD OF GOVERNORS



J.A. KNIGHT

Secretary

16th March 1995

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

LIST OF GOVERNORS
AS AT 31 DECEMBER 1994

Archie Pitcher CBE
Charles Auld
The Rt. Hon. John Freeman, PC; MBE
Henry James, CB
Brian Nicholson
Kenneth Miles
Carol Friend

President
Vice-President
Vice-President
Vice-President
Vice-President
Chairman
Deputy Chairman

Nominated Governors

Reg Best
Andrew Brown
Anne Gregory
Phil Griffiths
John Lavelle
Kenneth Miles
Richard Millett
Jane Rose
Keith Shepherd
Colin Thompson

Representing

Exhibition Liaison Committee
Advertising Association
Institute of Public Relations
Advertising Standards Authority
Institute of Public Relations
Incorporated Society of British Advertisers
Institute of Sales Promotion
Direct Marketing Association
Cinema Advertising Association
Public Relations Consultants Association

Co-opted Governors

Andrew Batty
Peter Condon
Philip Henslowe
Alan Wolfe

Representing

Graduate Members
Incorporated Advertising Management Association
Marketing Standards Board (NVQ Lead Body)
Examinations and Assessment Board

AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of governors and auditors

As stated in the report of the Governors, the company's governors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards Issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 1994 and of the surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

12 John Street
LONDON WC1N 2EB

16th March 1995


BARRON ROWLES BASS

Chartered Accountants

Registered Auditor

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
GENERAL INCOME:			
Contributions from constituent bodies		61,800	57,740
Donations		7,720	427
Royalties and interest received		5,280	6,814
		<hr/>	<hr/>
		74,800	64,981
DIRECT INCOME			
Student registration and examination fees		218,620	224,151
		<hr/>	<hr/>
TOTAL INCOME		293,420	289,132
DIRECT COSTS:			
Examinations expenses		63,270	61,663
		<hr/>	<hr/>
CONTRIBUTION TO OVERHEADS		230,150	227,469
		<hr/>	<hr/>
OVERHEAD EXPENDITURE			
Staff costs	2(a)	144,569	124,888
Administrative expenses	2(b)	80,559	62,185
Provision for NVQ costs		-	20,000
		<hr/>	<hr/>
		225,128	207,073
		<hr/>	<hr/>
SURPLUS FOR THE YEAR		<u>£5,022</u>	<u>£20,396</u>

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED
(A company limited by guarantee and not having a share capital)

BALANCE SHEET AT 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
FIXED ASSETS			
Tangible assets	3	792	1,126
CURRENT ASSETS:			
Debtors	4	41,275	20,165
Cash at bank and in hand		8,146	121,840
Investment	5	100,225	-
Creditors: amounts falling due within one year	6	149,646	142,005
		27,927	23,150
NET CURRENT ASSETS		121,719	118,855
TOTAL ASSETS LESS CURRENT LIABILITIES		122,511	119,981
Provision for liabilities and charges	7	17,508	20,000
		<u>£105,003</u>	<u>£99,981</u>
RESERVES:			
Retained surplus	8	<u>£105,003</u>	<u>£99,981</u>

Approved by the Board of Governors on 16th March 1995

K.N. MILES

A. BROWN

K.N. Miles
A. Brown

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1994

1. Accounting policies

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Income

All income other than registration fees is dealt with on an earnings basis and is apportioned to the accounting period to which it relates.

Registration fees are dealt with on a receipts basis.

(c) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Computer equipment	- over 3 years
Furniture and fittings	- over 10 years
Office equipment	- over 5 years

(d) Cash flow statement

The company is entitled to the exemptions available in Sections 246 to 249 of the Companies Act 1985 and accordingly is not within the scope of Financial Reporting Standard No. 1. A Cash Flow Statement has therefore not been prepared.

2. Overhead expenditure

(a) Staff costs

	<u>1994</u>	<u>1993</u>
Wages and salaries	130,454	111,154
Social security costs	9,883	10,518
Pension costs	4,232	3,216
	<u>£144,569</u>	<u>£124,888</u>

The average number of employees during the year was 4 (1993 - 5).

(b) Administrative expenses include:

	<u>1994</u>	<u>1993</u>
Depreciation	334	2,150
Auditors' remuneration (exclusive of VAT)	3,500	3,500
Operating lease rentals - equipment	<u>1,435</u>	<u>1,435</u>

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1994

(continued)

3. Tangible fixed assets

	<u>Computer equipment</u>	<u>Furniture and fittings</u>	<u>Office equipment</u>	<u>Total</u>
Cost:				
At 1 January 1994 and At 31 December 1994	11,797	17,571	21,295	50,663
Accumulated depreciation:				
At 1 January 1994	11,594	16,715	21,228	49,537
Charge for the year	101	171	62	334
At 31 December 1994	11,695	16,886	21,290	49,871
Net book value:				
At 31 December 1994	<u>£ 102</u>	<u>£ 685</u>	<u>£ 5</u>	<u>£ 792</u>
At 31 December 1993	<u>£ 203</u>	<u>£ 856</u>	<u>£ 67</u>	<u>£1,126</u>

4. Debtors

	<u>1994</u>	<u>1993</u>
Contributions outstanding	24,200	9,740
Income tax recoverable	229	229
Other debtors	9,308	-
Prepayments	7,538	10,196
	<u>£41,275</u>	<u>£20,165</u>

5. Investment

£94,600 Treasury stock 9 3/4% 2002		
At cost	<u>£100,225</u>	<u>£ -</u>
At market value	<u>£102,134</u>	<u>£ -</u>

6. Creditors: amounts falling due within one year

Bank overdraft	1,969	5
Trade creditors	18,864	10,096
Other creditors	318	253
Accruals	6,776	12,796
	<u>£27,927</u>	<u>£23,150</u>

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1994
(continued)

7. Provision for liabilities and charges

This provision relates to the estimated costs of the Foundation achieving and implementing NCVQ accreditation.

8. Retained surplus

	<u>1994</u>	<u>1993</u>
Surplus brought forward	99,981	79,585
Surplus for the year	5,022	20,396
	<hr/>	<hr/>
Retained surplus carried forward	<u>£105,003</u>	<u>£99,981</u>

9. Pension scheme

The company jointly operates a pension scheme with three other companies through the Advertising Association. The scheme is of the defined benefit type, and the assets of the scheme are managed by The Clerical & Medical Life Assurance Society.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company.

The pension cost for the company was £4,232 (1993 - £3,216) and is assessed in accordance with the advice of a qualified actuary using the "attained age method" for other benefits.

10. Operating lease commitment

	<u>1994</u>	<u>1993</u>
Equipment:		
Annual rental payable for lease terminating in 2 - 5 years	<u>£1,435</u>	<u>£1,435</u>