

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED**REPORT OF THE BOARD OF GOVERNORS**

The Governors submit their report and financial statements for the year ended 31 December 1995.

Results

The total income of the Foundation for the year was £291,983 of which £67,608 was contributions from constituent bodies, £920 was received by donation and £223,455 consisted of income from registration and examination fees, royalties on books and interest received.

After taking into account total expenditure of £341,370, and writing back the provision for NVQ accreditation no longer required the deficit for the year amounted to £22,035 and the retained surplus carried forward now stands at £82,968.

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 Elected and 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.



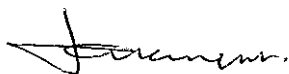
THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

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

29 April 1996

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

LIST OF GOVERNORS AS AT 31 DECEMBER 1995

Archie Pitcher CBE	President
Charles Auld	Vice-President
The Rt. Hon. John Freeman, PC, MBE	Vice-President
Carol Friend	Vice-President
Henry James, CB	Vice-President
Brian Nicholson	Vice-President
Andrew Brown	Chairman
Susan Croft	Chairman Elect

Nominated Governors

Reg Best
Sue Blakemore
Andrew Brown
Paul Brown
Barrie Cobb
Anne Gregory
Phil Griffiths
Derek Holder
Bruce Koster
John Lavelle
Colin Lloyd
Geoffrey Russell
Sue Short
Colin Thompson
Angela White

Representing

Incorporated Society of British Advertisers
ITV Network Centre
Advertising Association
Association of Independent Radio Companies
Exhibition Liaison Committee
Institute of Public Relations
Advertising Standards Authority
Institute of Direct Marketing
Cinema Advertising Association
Institute of Public Relations
Direct Marketing Association
Radio Advertising Bureau
Institute of Sales Promotion
Public Relations Consultants Association
Royal Mail

Co-opted Governors

Andrew Batty
Philip Henslowe
Kenneth Miles
Alan Wolfe

AUDITORS' REPORT

TO THE MEMBERS OF

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

We have audited the financial statements on pages 5 to 9 which have been prepared following 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 Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act and 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 charity'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 the charity's affairs at 31 December 1995 and of its financial activities for the year then ended and have been properly prepared in accordance with Regulation 3 of the Charities Act 1993 and the Companies Act 1985.

12 John Street

LONDON WC1N 2EB



BARRON ROWLES BASS

Chartered Accountants

Registered Auditor

29 April 1996

THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
INCOMING RESOURCES:			
Contributions from constituent bodies		67,608	61,800
Donations - General		520	7,720
Donations - Jubilee Fund		400	-
Royalties and interest received		11,723	5,280
Student registration and examination fees		211,732	218,620
		<hr/>	<hr/>
TOTAL INCOMING RESOURCES		291,983	293,420
		<hr/>	<hr/>
RESOURCES EXPENDED:			
Examinations expenses		72,191	63,270
Fund-raising expenses		37,949	5,285
Management and administration of the charity		231,230	219,843
		<hr/>	<hr/>
TOTAL RESOURCES EXPENDED		341,370	288,398
		<hr/>	<hr/>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		(49,387)	5,022
Provision no longer required	7	17,508	-
		<hr/>	<hr/>
Gains on investment assets:		(31,879)	5,022
Realised		4,227	-
Unrealised		5,617	-
		<hr/>	<hr/>
NET MOVEMENT IN FUNDS	8	£(22,035)	£5,022
		<hr/> <hr/>	<hr/> <hr/>

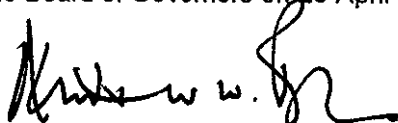
THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED
(A company limited by guarantee and not having a share capital)

BALANCE SHEET AT 31 DECEMBER 1995

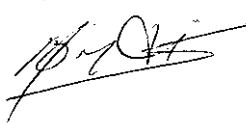
	<u>Notes</u>	<u>1995</u>	<u>1994</u>
FIXED ASSETS			
Tangible assets	3	4,226	792
CURRENT ASSETS:			
Debtors	4	19,728	41,275
Cash at bank and in hand		21,363	8,146
Investment	5	59,755	100,225
		100,846	149,646
Creditors: amounts falling due within one year	6	22,104	27,927
NET CURRENT ASSETS		78,742	121,719
TOTAL ASSETS LESS CURRENT LIABILITIES		82,968	122,511
Provision for liabilities and charges	7	-	17,508
		£82,968	£105,003
RESERVES:			
Retained funds	8	£82,968	£105,003

Approved by the Board of Governors on 29 April 1996

A. BROWN



P. GRIFFITHS



THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995

1. Accounting policies

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the principles of Statement of Recommended Practice No. 2 'Accounting by Charities' and applicable 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.

(e) Investment

Investments are stated at market value. This is in accordance with the Statement of Recommended Practice 'Accounting by Charities' (SORP) under the terms of the Charities Act 1993. Gains and losses during the year arising from the sale or redemption of investments are credited or debited to the appropriate fund.

2. Overhead expenditure

(a) Staff costs	1995	1994
Wages and salaries	142,968	130,454
Social security costs	10,795	9883
Pension costs	3,742	4,232
	<hr/>	<hr/>
	£157,505	£144,569
	<hr/>	<hr/>
The average number of employees during the year was 5 (1994 - 4).		
(b) Administrative expenses include:		
Depreciation	1,860	334
Auditors' remuneration	4,500	3,500
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THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995

(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 1995	11,797	17,571	21,295	50,663
Additions	4,814	-	480	5,294
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1995	16,611	17,571	21,775	55,957
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation:				
At 1 January 1995	11,695	16,886	21,290	49,871
Charge for the year	1,604	155	101	1,860
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At 31 December 1995	13,299	17,041	21,391	51,731
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
At 31 December 1995	£3,312	£ 530	£ 384	£4,226
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
At 31 December 1994	£ 102	£ 685	£ 5	£ 792
	<hr/>	<hr/>	<hr/>	<hr/>

4. Debtors

	<u>1995</u>	<u>1994</u>
Contributions outstanding	4,720	24,200
Income tax recoverable	1,153	229
Other debtors	6,082	9,308
Prepayments	7,773	7,538
	<hr/>	<hr/>
	£19,728	£41,275
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5. Investment

£51,100 Treasury stock 9% 2002		
At market value	£59,755	£102,134
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At cost	£54,139	£100,225
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THE COMMUNICATION ADVERTISING & MARKETING EDUCATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995

(continued)

6. Creditors: amounts falling due within one year

	<u>1995</u>	<u>1994</u>
Bank overdraft	-	1,969
Trade creditors	12,826	18,864
Other creditors	448	318
Accruals	8,830	6,776
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	£22,104	£27,927
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7. Provision for liabilities and charges

This provision related to the estimated costs of the Foundation achieving NVQ accreditation.

8. Retained funds

	<u>1995</u>	<u>1994</u>
Funds brought forward	105,003	99,981
Surplus/(deficit) for the year	(22,035)	5,022
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Retained funds carried forward	£82,968	£105,003
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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 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 £3,742 (1994 - £4,232) and is assessed in accordance with the advice of a qualified actuary using the "attained age method" for other benefits.