

COMPANY REGISTRATION NO: 977606

REGISTERED CHARITY NO: 313423

**THE COMMUNICATION ADVERTISING & MARKETING  
EDUCATION FOUNDATION LIMITED**  
(LIMITED BY GUARANTEE)

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30 JUNE 2005**



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**THE COMMUNICATION ADVERTISING & MARKETING  
EDUCATION FOUNDATION LIMITED**

**FOR THE YEAR ENDED 30 JUNE 2005**

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## **The Communication Advertising & Marketing Education Foundation Limited**

**(Limited by guarantee)**

### **Report of the Board of Trustees**

The Trustees present their report and financial statements for the year ended 30 June 2005. The financial statements have been prepared in accordance with the accounting policies set out on page 10 and comply with The Communication Advertising and Marketing Foundation Limited's trust deed, applicable law and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities'.

#### **Objects of charity**

The Communication Advertising & Marketing Foundation Limited (CAM) promotes, for the general benefit of the public, the advancement of communication, advertising and marketing education. It administers examinations at advanced and higher levels in advertising, public relations and associated businesses.

#### **Review of activities and future developments for the year**

In the year to June 2005 CAM took a significant step to commence the repositioning of the organisation. The first action was to appoint a business manager whose initial task was to oversee the development of the new syllabus. This was undertaken with the support of practitioners from the marketing communications industry, together with the Education Division of The Chartered Institute of Marketing. The new syllabus has now been launched and there has been a steady increase in the number of active CAM students.

The association with The Chartered Institute of Marketing and the effective utilisation of common resources has been defined by the production of a service level agreement covering a variety of synergistic support activities.

Over the next year CAM will seek to build on the firm base created by the new syllabus. It is intended to increase the number of centres offering CAM qualifications both within the UK and internationally, while also offering support to the marketing communication community. The CAM brand will be positioned through the increase of targeted promotional activity and the development of relationships with both the professional and business community.

#### **Governance**

CAM is governed by its memorandum and articles of association. The Trustees are responsible for the overall management and control of the charity. Two of the trustees are appointed by the Advisory Council, three trustees are appointed by The Chartered Institute of Marketing (CIM) and up to two trustees can be co-opted by the Board of Trustees of CIM.

#### **Investment powers, policy and performance**

The Trustees' investment powers are governed by the memorandum of association which permits CAM's funds to be invested in investments, securities or property as may be thought fit.

#### **Reserves policy**

In line with the guidance issued by The Charity Commission the Trustees have reviewed CAM's needs for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees believe reserves should be at least sufficient to cover 3 months fixed running costs to ensure that the charity can run effectively. CAM currently has 4 months running costs within reserves and will be using them to further its objectives.

## The Communication Advertising & Marketing Education Foundation Limited

(Limited by Guarantee)

### Report of the Board of Trustees

#### **Risk management**

The Trustees actively review the major risks which CAM faces on a regular basis and believe that maintaining our free reserves at the levels stated above, combined with our annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks, which we face and confirm that they have established systems to mitigate the significant risks.

#### **Statement of Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year. In preparing those financial statements, the Trustees 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 a going concern basis unless it is inappropriate to presume that the charity will continue.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Trustees**

The Trustees who served during the year were as follows:

John Coke	resigned 25 February 2005
Christine Cryne	appointed 25 February 2005
John Flynn	
Tess Harris	
Colin Lloyd	resigned 10 October 2005
Charles Nixon	resigned 25 February 2005
Richard Roche	appointed 11 January 2005
Peter Standing	appointed 25 February 2005

Approved by the Board of Trustees of The Communication Advertising & Marketing Education Foundation Limited on \_\_\_\_\_ and signed on its behalf by:

  
John Flynn  
Chairman of Trustees

27.04.06

**The Communication Advertising & Marketing Education Foundation Limited**

**(Limited by guarantee)**

**Legal and Administration Information**

**For the year ended 30 June 2005**

**Trustees:**

Christine Cryne  
John Flynn  
Tess Harris  
Richard Roche  
Peter Standing

**Company Secretary:**

Joanne Holton

**Registered Office:**

Moor Hall  
Cookham  
Maidenhead  
Berkshire  
SL6 9QH

**Registered Auditors:**

BDO Stoy Hayward LLP  
Emerald House  
East Street  
Epsom  
Surrey  
KT17 1HS

**Bankers:**

Royal Bank of Scotland  
9th Floor  
280 Bishopsgate  
London  
EC2M 4RB

**Company Number:**

977606

**Registered Charity No:**

313423

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT**

We have audited the accounts of The Communications Advertising & Marketing Education Foundation Limited (CAM) for the year ended 30 June 2005 set out on pages 8 to 15. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 10.

**Respective Responsibilities of the Trustees and Auditors**

The Trustees' responsibilities for preparing the annual report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards are set out in the Trustees' Report.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

*We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if CAM has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the Trustees' remuneration and transactions with CAM is not disclosed.*

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose hereby expressly disclaim any and all such liability.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and whether the accounting policies are appropriate to CAM's, 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 accounts 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 accounts.

The Communication Advertising & Marketing Education Foundation Limited  
(Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of The Communication Advertising and Marketing Foundation Limited's affairs as at 30 June 2005 and its incoming resources and resources expended, including its income and expenditure for the year then ended have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward LLP*

BDO Stoy Hayward LLP  
Chartered accountants and registered auditors  
Emerald House  
East Street  
Epsom  
Surrey  
KT17 1HS

27 April 2006

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Statement of financial activities**

**For the year ended 30 June 2005**

	<b><u>Note</u></b>	<b>Unrestricted</b> <b><u>2005</u></b> <b>£</b>	<b><u>2004</u></b> <b>£</b>
<b>INCOMING RESOURCES</b>			
Donations and similar incoming resources	2	12,617	30,250
Student registration & examination fees	3	112,630	99,994
Other income	4	878	275
Rent receivable		41,853	41,700
Interest receivable		227	109
<b>Total incoming resources</b>		<b>168,205</b>	<b>172,328</b>
Costs of generating funds	5	14,926	1,830
<b>Net incoming resources available for charitable application</b>		<b>153,279</b>	<b>170,498</b>
<b>CHARITABLE EXPENDITURE</b>			
Cost of activities in furtherance of the charity's objectives	6	46,542	37,514
Managing and administering the charity	7	120,018	94,909
<b>Total charitable expenditure</b>		<b>166,560</b>	<b>132,423</b>
<b>Total resources expended</b>		<b>181,486</b>	<b>134,253</b>
<b>Movement in total funds for the year - Net (expenditure)/income for the year</b>	13	<b>(13,281)</b>	<b>38,075</b>
Total funds brought forward		64,221	26,146
<b>Total funds carried forward</b>	13	<b>50,940</b>	<b>64,221</b>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 10 to 15 form part of these statements



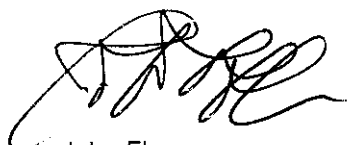
**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Balance Sheet**

**As at 30 June 2005**

	<b><u>Note</u></b>	<b><u>2005</u></b> £	<b><u>2004</u></b> £
<b>FIXED ASSETS</b>			
Tangible assets	10	-	-
<b>CURRENT ASSETS</b>			
Debtors	11	82,481	78,578
Cash at bank and in hand		95,429	28,308
		<u>177,910</u>	<u>106,886</u>
<b>CREDITORS : Amounts falling due within one year</b>	12	126,970	42,665
<b>NET CURRENT ASSETS</b>		<u>50,940</u>	<u>64,221</u>
<b>TOTAL NET ASSETS</b>		<u>50,940</u>	<u>64,221</u>
<b>UNRESTRICTED RESERVES</b>			
General	13	<u>50,940</u>	<u>64,221</u>

The accounts were approved by the Board of Trustees on  
27 April 2006 and were signed on its behalf by:



John Flynn  
Chairman

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts**

**For the year ended 30 June 2005**

**(1) Accounting policies**

**(a) Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities', applicable accounting standards and the Companies Act 1985.

**(b) Donations**

Donations and similar income are accounted for on a receivable basis.

**(c) Income**

Registration income is accounted for when received. Examination fees are taken as income during the period the exams are sat. All other income is accounted for on an accruals basis.

**(d) Interest Receivable**

Interest is included when receivable by the charity.

**(e) Depreciation**

*Fixed assets are depreciated at 25% per annum on a straight line basis.*

**(f) Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

**(g) Operating Leases**

Rentals payable under an operating lease are charged to the Statement of Financial Activities as incurred over the term of the lease.

**(h) Unrestricted funds**

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts (continued)**

**For the year ended 30 June 2005**

**(2) Donations and similar incoming resources**

	<u>2005</u> £	<u>2004</u> £
Constituents	12,617	30,250
	<u>12,617</u>	<u>30,250</u>

**(3) Student registration and examination fees**

	<u>2005</u> £	<u>2004</u> £
Student registration and exam fees	112,630	99,994
	<u>112,630</u>	<u>99,994</u>

**(4) Other income**

	<u>2005</u> £	<u>2004</u> £
Appraisals	-	190
Other	878	85
	<u>878</u>	<u>275</u>

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts (continued)**

**For the year ended 30 June 2005**

**(5) Cost of generating funds**

	<u>2005</u> £	<u>2004</u> £
Promotion and advertising	14,926	1,830
	<u>14,926</u>	<u>1,830</u>

**(6) Cost of activities in furtherance of the charity's objectives**

	<u>2005</u> £	<u>2004</u> £
Examination expenses	12,236	16,558
Staff costs	34,306	20,956
	<u>46,542</u>	<u>37,514</u>

**(7) Managing and administering the charity**

	<u>2005</u> £	<u>2004</u> £
Staff costs	33,322	20,955
Audit fees	3,546	2,000
Rent & rates	27,426	31,081
Legal & professional	(1,098)	1,297
Computer costs	12,694	14,080
Overhead recharges & other costs	44,127	25,496
	<u>120,018</u>	<u>94,909</u>

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts (continued)**

**For the year ended 30 June 2005**

**(8) Employee information**

All staff of CAM are employees of CIM. A recharge of staff costs was made from CIM to CAM during the year.

<b>(9) <u>Deficit/surplus for the year is after charging:</u></b>	<b><u>2005</u></b> <b>£</b>	<b><u>2004</u></b> <b>£</b>
Auditors' remuneration	3,546	2,000
	<u>          </u>	<u>          </u>

**(10) Tangible Fixed Assets**

	<b><u>Computer Equipment</u></b>	<b><u>Furniture &amp; Fittings</u></b>	<b><u>Office Equipment</u></b>	<b><u>Total</u></b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 July 2004	29,293	20,684	26,148	76,125
Additions	-	-	-	-
Disposals	(29,293)	(20,684)	(26,148)	(76,125)
At 30 June 2005	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**ACCUMULATED DEPRECIATION**

At 1 July 2004	29,293	20,684	26,148	76,125
Disposals	(29,293)	(20,684)	(26,148)	(76,125)
Charge for the year	-	-	-	-
At 30 June 2005	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**NET BOOK VALUE**

At 30 June 2005	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 June 2004	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts (continued)**

**For the year ended 30 June 2005**

<b>(11) <u>Debtors</u></b>	<b><u>2005</u></b> <b>£</b>	<b><u>2004</u></b> <b>£</b>
Due from CIM Holdings	19,637	65,847
Due from The Chartered Institute of Marketing	51,320	-
Prepayments	11,525	12,731
	<u>82,481</u>	<u>78,578</u>

<b>(12) <u>Creditors: Amounts falling due within one year</u></b>	<b><u>2005</u></b> <b>£</b>	<b><u>2004</u></b> <b>£</b>
Trade Creditors	12,530	2,550
Due to The Chartered Institute of Marketing	-	28,091
Deferred Income	9,553	9,455
Accruals	104,887	2,569
	<u>126,970</u>	<u>42,665</u>

Included in accruals is an amount owing to CIM for the recharge for services of £98,700  
(2004: Nil)

<b>(13) <u>Unrestricted reserves</u></b>	<b><u>2005</u></b> <b>£</b>	<b><u>2004</u></b> <b>£</b>
Funds at 1 July 2004	64,221	26,146
Net movement for the year	-	38,075
Funds at 30 June 2005	<u>64,221</u>	<u>64,221</u>

**(14) Status of charity**

The charity is incorporated as a company limited by guarantee and therefore does not have share capital.

The maximum liability of each member is £1.

**The Communication Advertising & Marketing Education Foundation Limited**  
**(Limited by guarantee)**

**Notes to the accounts (continued)**

**For the year ended 30 June 2005**

**(15) Pension Scheme**

All staff working on are employees of The Chartered Institute of Marketing (CIM). A recharge of staff and related pension costs was made from CIM to CAM during the year.

The total pension recharge for the year was £2,696 (2004 - £7,536).

**(16) Taxation**

As CAM is a registered charity, no charge to corporation tax arises on any surplus.

**(17) Trustees' emoluments and expenses**

None of the trustees received any emoluments or expenses in respect of their services to CAM.

**(18) Operating lease commitments**

At 30 June 2005, CAM had a commitment to make payments during next year under an operating lease which expires as follows:

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Within one year	9,553	Nil
Between two and five years	Nil	19,035

The lease, which expired on 26 September 2005, related to office premises which were sublet.

**(19) Related party transactions**

All business transacted by CAM is carried out and controlled by The Chartered Institute of Marketing (CIM). A recharge of expenditure of £98,700 (2004: £70,240) incurred by The Chartered Institute of Marketing and CIM Holdings Limited during the year relating to this activity has been made.

At 30 June 2005, balances with The Chartered Institute of Marketing group consisted of £51,320 (2004: £28,091 due to) from to The Chartered Institute of Marketing and £19,637 (2004: £65,847) due from CIM Holdings Limited, a total sum payable to CAM of £70,957 (2004: £37,756)