

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 2006**

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

FOR THE YEAR ENDED 30 JUNE 2006

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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 2006. 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 2005 '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 for the year and future developments

The new CAM syllabus introduced an updated and relevant qualification to the Marcomms industry providing the link between the Marketing Communication disciplines.

In 2006 we worked towards supporting our tutors with the new syllabus and assisting students through transitional arrangements between the old and new syllabus. We worked to inform and assist tutors and students on the introduction of the new assignment modules.

For the coming year we aim to offer study centre support with more frequent visits, consultation and collaboration with our course providers. We will be looking into validation processes for our qualification to increase student interest. We have reviewed our service level agreement with the Chartered Institute of Marketing. This year we will promote the qualification by strengthening our industry ties with our Advisory Council which includes the IDM and the Advertising Association.

We will also be promoting to the public sector to increase awareness within Boroughs, Central and Local Government and not-for-profit organisations. Finally we are launching an online booking facility so CAM students will be able to sign up and book exams online.

The net incoming resources for the year amounted to £69,270 (2005: £91,194), charitable expenditure was £113,259 (2005: £104,475) resulting in a loss for the year of £43,989 (2005: £13,281). The forecast predicts a surplus by the end of the financial year ending June 2007.

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 CAM. On appointment trustees attend an induction meeting.

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.

The Communication Advertising & Marketing Education Foundation Limited

(Limited by Guarantee)

Report of the Board of Trustees

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 has used its reserves this year to review, update and implement a new syllabus. The reserves will be in line with the reserves policy by the financial year ending June 2007.

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 manage 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.

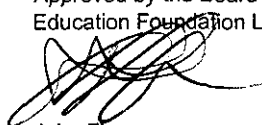
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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:

Christine Cryne	resigned 18 September 2006	
John Flynn		
Tess Harris	resigned 27 April 2006	
Philip Kirk	appointed 30 June 2006	resigned 19 October 2006
Colin Lloyd	resigned 10 October 2005	
Sonia Modray	appointed 21 September 2006	resigned 10 January 2007
Richard Roche	resigned 30 June 2006	
Peter Standing		
Roderick Wilkes	appointed 10 January 2007	

Approved by the Board of Trustees of The Communication Advertising & Marketing Education Foundation Limited on 30/1/07 and signed on its behalf by:


John Flynn
Chairman of Trustees

The Communication Advertising & Marketing Education Foundation Limited

(Limited by guarantee)

Legal and Administration Information

For the year ended 30 June 2006

Trustees:

John Flynn (Chairman)
Peter Standing
Roderick Wilkes

Company Secretary:

Joanne Saintclair-Abbott

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 financial statements of The Communication Advertising & Marketing Education Foundation Limited for the year ended 30 June 2006 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of 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 (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 the charity 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 trustees' remuneration and transactions with the charity 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 and for 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 and we hereby expressly disclaim any and all such liability

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees 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.

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity at 30 June 2006, and of the charity's incoming resources and resources expended, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP

Chartered Accountants & Registered Auditors

Emerald House

East Street

Epsom

Surrey

KT17 1HS

Date: *6 February 2007*

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

Statement of financial activities

For the year ended 30 June 2006

	<u>Note</u>	Unrestricted <u>2006</u> £	<u>2005</u> £
INCOMING RESOURCES			
Incoming Resources from Generated Funds			
-Donations	2	4,773	12,617
-Investment Income	2	1,231	227
Incoming Resources from Charitable Activities			
-Student registration & examination fees	3	120,399	112,630
Other Incoming Resources	4	10,246	42,731
Total incoming resources		<u>136,649</u>	<u>168,205</u>
RESOURCES EXPENDED			
Costs of generating funds	5	59,583	77,011
Net incoming resources available for charitable application		<u>77,066</u>	<u>91,194</u>
Charitable Expenditure			
Cost of activities in furtherance of the charity's objectives	6	108,974	73,191
Governance Costs	7	5,843	3,860
Other resources expended	8	6,238	27,424
Total charitable expenditure		<u>121,055</u>	<u>104,475</u>
Total resources expended	9	<u>180,638</u>	<u>181,486</u>
Movement in total funds for the year - Net expenditure for the year	13	(43,989)	(13,281)
<i>Total funds brought forward</i>		50,940	64,221
Total funds carried forward	13	<u>6,951</u>	<u>50,940</u>

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 2006

	<u>Note</u>	<u>2006</u> £	<u>2005</u> £
CURRENT ASSETS			
Debtors	11	38,373	82,481
Cash at bank and in hand		43,400	95,429
		<u>81,773</u>	<u>177,910</u>
CREDITORS : Amounts falling due within one year	12	74,822	126,970
NET CURRENT ASSETS		<u>6,951</u>	<u>50,940</u>
TOTAL NET ASSETS		<u>6,951</u>	<u>50,940</u>
UNRESTRICTED RESERVES			
General	13	<u>6,951</u>	<u>50,940</u>

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

The accounts were approved by the Board of Trustees and authorised for issue
on 30th JAN '07 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 2006

(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 2005 'Accounting and Reporting by Charities', applicable accounting standards and the Companies Act 1985. As this is the first year SORP 2005 has been adopted the 2005 resources expended have been reanalysed to comply.

(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) Resources Expended

Cost of generating funds, charitable activities and governance costs are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

(f) Operating Leases

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

(g) 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 2006

(2) Incoming resources from generated funds

	<u>2006</u>	<u>2005</u>
	£	£
Donations from Constituents	4,773	12,617
Interest Received	1,231	227
	<u>6,004</u>	<u>12,844</u>

(3) Student registration and examination fees

	<u>2006</u>	<u>2005</u>
	£	£
Student registration and exam fees	120,399	112,630
	<u>120,399</u>	<u>112,630</u>

(4) Other incoming resources

	<u>2006</u>	<u>2005</u>
	£	£
Rent receivable	9,553	41,853
Other	693	878
	<u>10,246</u>	<u>42,731</u>

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

Notes to the accounts (continued)

For the year ended 30 June 2006

(5) Cost of generating funds

	<u>2006</u> £	<u>2005</u> £
Promotion and advertising	20,508	14,926
Staff costs	26,143	36,286
Legal and professional	-	-
Computer costs	3,147	6,347
Overhead recharges and other costs	9,785	19,452
	<u>59,583</u>	<u>77,011</u>

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

	<u>2006</u> £	<u>2005</u> £
Examination expenses	40,372	13,086
Staff costs	26,143	34,306
Development expenses	13,323	-
Feedback	612	-
Computer costs	3,147	6,347
Overhead recharges and other costs	25,377	19,452
	<u>108,974</u>	<u>73,191</u>

(7) Governance costs

	<u>2006</u> £	<u>2005</u> £
Audit fees	3,231	3,546
Trustee meetings	2,612	314
	<u>5,843</u>	<u>3,860</u>

(8) Other resources expended

	<u>2006</u> £	<u>2005</u> £
Rent payable	6,238	27,424
	<u>6,238</u>	<u>27,424</u>

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

Notes to the accounts (continued)

For the year ended 30 June 2006

(9) <u>Total resources expended</u>	Cost of Generating Funds	Furtherance of Charity's Objectives	Governance Costs	Other Resources	Total
	£	£	£	£	£
Cost of generating funds	20,508	-	-	-	20,508
Furtherance of Charity's objectives	-	54,306	-	-	54,306
Governance costs	-	-	5,843	-	5,843
Rent payable	-	-	-	6,238	6,238
Staff costs	26,143	26,143	-	-	52,286
Other	1,672	1,673	-	-	3,345
Variable costs					
Study centres	-	7,756	-	-	7,756
Members	-	3,232	-	-	3,232
Exams	-	4,604	-	-	4,604
Fixed costs					
Corporate activities and marketing	4,750	4,750	-	-	9,500
Finance	2,723	2,723	-	-	5,446
Estates	640	640	-	-	1,280
Computing	3,147	3,147	-	-	6,294
	59,583	108,974	5,843	6,238	180,638

The overheads are allocated according specific activity, headcount, space or on an actual time spent basis.
The allocation method was revised for the year ending June 2006.

(10) Employee information

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

(11) <u>Debtors</u>	<u>2006</u>	<u>2005</u>
	£	£
Due from CIM Holdings	-	19,637
Due from The Chartered Institute of Marketing	34,694	51,320
Prepayments	3,679	11,524
	38,373	82,481

(12) <u>Creditors: Amounts falling due within one year</u>	<u>2006</u>	<u>2005</u>
	£	£
Trade Creditors	7,625	12,530
Due to CIM Holdings	6,685	-
Deferred Income	-	9,553
Accruals	60,512	104,887
	74,822	126,970

Included in accruals is an amount owing to CIM for the recharge for services of £52,207
(2005: £98,700)

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

Notes to the accounts (continued)

For the year ended 30 June 2006

(13) <u>Unrestricted reserves</u>	<u>2006</u>	<u>2005</u>
	£	£
Funds at 1 July 2005	50,940	64,221
Net movement for the year	(43,989)	(13,281)
Funds at 30 June 2006	<u>6,951</u>	<u>50,940</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.

(15) Pension Scheme

All staff working on CAM are employees of The Chartered Institute of Marketing (CIM). A recharge for staff was made from CIM to CAM during the year. There were no related pension recharges during 2006.

The total pension recharge for the year was £Nil (2005 - £2,696).

(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.

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

Notes to the accounts (continued)

For the year ended 30 June 2006

(18) Operating lease commitments

At 30 June 2006, CAM had no commitments as the operating lease had expired.

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Within one year	Nil	9,553
Between two and five years	Nil	Nil

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 £52,207 (2005: £98,700) incurred by The Chartered Institute of Marketing and CIM Holdings Limited during the year relating to this activity has been made.

At 30 June 2006, balances with The Chartered Institute of Marketing group consisted of £34,694 (2005: £51,320) due from The Chartered Institute of Marketing and £6,685 (2005: £19,637 due from) due to CIM Holdings Limited, a total sum payable to CAM of £28,009 (2005: £70,957)