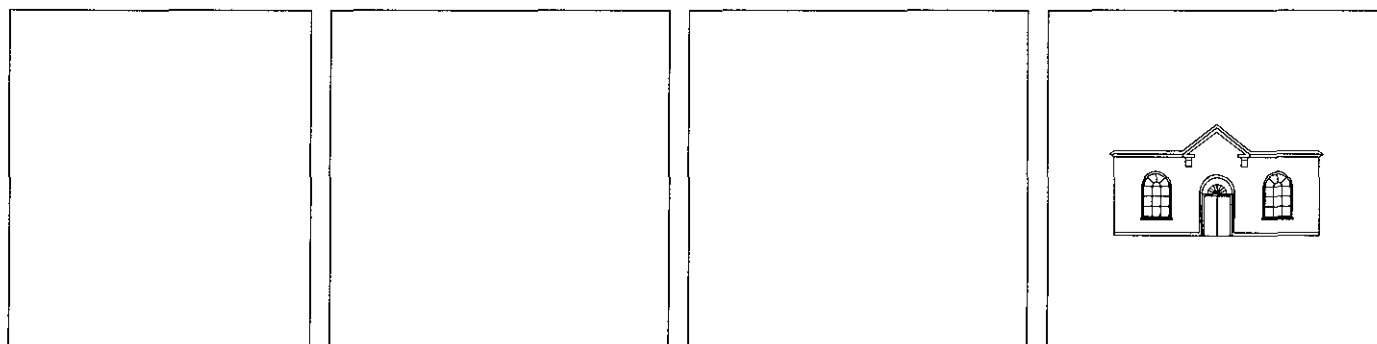
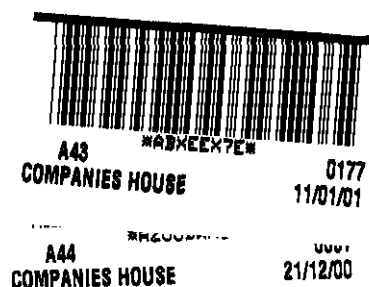


CAMBRIDGE HOUSE AND TALBOT

(COMPANY LIMITED BY GUARANTEE NO:1050006)



ANNUAL REPORT AND ACCOUNTS



YEAR ENDED 31st MARCH 2000

REPORT OF THE DIRECTORS

The Directors (who are the trustees under charity law) are pleased to present the Annual Report of Cambridge House and Talbot for the year ended 31st March 2000.

Cambridge House was set up in 1889 as a residential settlement linked to Cambridge University. Today Cambridge House and Talbot is a multi-purpose voluntary organisation working in Southwark to alleviate the local effects of poverty. We do this through the direct provision of services to individuals, families and communities; by operating as a local neighbourhood resource providing support to local community groups and voluntary organisations, and by acting as a local development agency working outside Cambridge House to support community initiatives.

Cambridge House and Talbot is governed by the company directors (collectively called The Council) who are elected at the Annual General Meeting. Under the rules one third of the Council members stand down at the Annual General Meeting and are eligible for re-election.

In the administrative year April 1999 to March 2000 the Council members were as follows:

Robert Park (Acting Chair until April, Chair from May), Angus Gilroy (Hon. Treasurer), Tim Ward, Russell van Praagh (Company Secretary from January), Wendy Mason, Rev. Pat Vowles, Jane Mace and Rachel Leigh.

The Council meets monthly to manage the business of the organisation. In addition, sub-committees operate with delegated responsibilities. In the year the following sub-committees met with the involvement of Council members:

Employment	Robert Park (<i>until July</i>) Wendy Mason (<i>from Nov</i>)
Finance & Fund-raising	Angus Gilroy
Premises	Tim Ward

In the past year direct services were also provided through a range of projects, namely:

- **CAMBERWELL ADVOCACY** – providing a range of independent advocacy support for people of all ages with severe learning difficulties
- **INDEPENDENT ADVOCACY PROJECT** – providing support and representation to ensure that people receive appropriate community care services
- **LEGAL CENTRE** – providing independent legal advice and representation
- **YOUTH PROJECT** – providing social education to young people through a range of youth work activities
- **ONLY CONNECT** – providing services for children and young adults with learning difficulties including arts-based work, after-school support and school holiday provision
- **PEOPLE TO PEOPLE** – providing counselling and group work support to adults with learning disabilities
- **ADULT EDUCATION CENTRE** – providing basic education support in literacy, numeracy, computer skills and English for speakers of other languages.

Over 50 independent community groups, voluntary organisations and other local agencies used the resources of Cambridge House operating as a local neighbourhood resource centre. Support provided included provision of affordable serviced offices and activity/meeting rooms, basic printing facilities, typing and PAYE services.

Cambridge House extended its involvement in local regeneration initiatives. We joined the Southwark Sure Start partnership set up to bring a range of different statutory and voluntary organisations together to provide specific support to families with young children. Cambridge House continued to chair and co-ordinate the Walworth Triangle Forum, which is a network of local community and voluntary sector groups who are playing a key role in delivering local services and supporting community involvement. We helped the Forum to secure funds to run a five year capacity-building programme and provided management support to the Community Outreach Worker.

Progress during the year

In May the position of Community Services Manager/Deputy Director was filled providing the third member of an organisational management team and allowing the director to delegate some management functions. The post holder provided major support to the Adult Education Centre during the year and in particular working with project staff on service inspection and funding issues.

The Only Connect project attracted substantial new funding to secure an after-school provision for children with learning disabilities and to re-launch their integrated under-fives playgroup. The Legal Centre introduced a new computerised support system and submitted a successful bid for a legal aid franchise, starting January 2000. They also secured part funding for a new post of Welfare Rights Advisor. The Independent Advocacy Service and Camberwell Advocacy Project continued to provide a range of advocacy services, and to take a lead in user consultation work. The Young People's Project maintained the range of youth clubs while developing very successful girls and boys football teams as another means of empowering young people.

Particular attention was given to the position of two projects – People to People and the Adult Education Centre – both of which were experiencing major funding difficulties. Action was taken throughout the year to achieve break-even budgets and to secure further support. General organisational reserves were used to maintain both projects during the year. (Details of reserves held as at March 31st 2000 can be found in the balance sheet).

In November the directors reviewed the position of the People to People project and decided that protective redundancy notices should be issued to project staff in January. Fund-raising continued but was not successful and the redundancy situation occurred at the end of March. The directors learned in May 2000 that an outstanding funding bid was unsuccessful and the project was deemed to have closed at this point.

The position of the Adult Education Centre was kept under constant review. In January the directors concluded that the organisation was unable to sustain the provision with Further Education Funding Council (FEFC) support alone because the output funding formula was too unpredictable and because they could no longer carry an operating debt for the work. They made the decision to

REPORT OF THE DIRECTORS *continued*

maintain the classes until July in order to allow the students to complete courses but decided that the service as presently structured would have to cease at the end of the summer term 2000 if the funding had not stabilised. A commitment was made to find other ways of providing adult education support within the local neighbourhood. In March the directors received a report from FEFC inspectors confirming that the project had improved its grading which was seen as a major achievement for the Centre. In May they reviewed further the financial position and reluctantly concluded that the project was not viable. The decision to close was confirmed.

During the year further improvement were made to the main building, and to the camp site at Barnwell.

Cambridge House and Talbot remained an active member of BASSAC (British Association of Settlements and Social Action Centres).

The closure of two projects, the redundancy of valued staff and the consequential loss of important services to local communities represents a major setback to the aims and objectives of the organisation. The Council regrets the necessity to make these difficult decisions.

Balanced against these difficulties are the achievements made elsewhere within the organisation. These achievements would not have occurred without the commitment and hard work of the staff, volunteers and my fellow directors involved in Cambridge House. On behalf of the organisation and the local people with whom we work, I also wish to thank our funders and contributors for their continuing support.

Signed on behalf of the Directors/Trustees:



Robert Park (*Chair*)

June 19th 2000

Registered Office: 131 Camberwell Road, London SE5 0HF

Telephone: 020 7703 5025 Fax: 020 7703 2903

Charity Registration No 265103

Company Limited by Guarantee

Registered in England No 1050006

Bankers: Royal Bank of Scotland, London City Office,
63 Threadneedle Street, London EC2R 8LA

Auditors: Chantrey Vellacott DFK, Russell Square House,
10/12 Russell Square, London WC1B 5LF

HONORARY TREASURER'S REPORT

The Statement of Financial Activities shows that expenditure exceeded income for the year by £18,758 (1999 – £85,576). Of this amount £24,093 (1999 – £59,090) represents a reduction in our unrestricted funds and therefore a further reduction in our free reserves. This has been caused by the need to provide £35,504 (1999 – £71,660) for project deficits of which the most significant is the deficit for the year on the Adult Education Project of £43,474 (1999 – £40,428).

The Basic Adult Education Project has been insufficiently funded to provide the service demands it has sought to meet. Its sponsor is the Further Education Funding Council (FEFC) where the grant is based on the audited provision of courses provided during the preceding year. Unfortunately not all of the work done qualifies for grant under the FEFC criteria. Additionally this grant method has introduced uncertainty regarding income whereas costs are largely fixed at the outset of each year. This is now the seventh year of funding under this arrangement and we are still in discussion with the FEFC regarding the liability of the second year of FEFC funding. Your Council has concluded that the project is not financially viable and that the current service will cease at the conclusion of the 1999/2000 academic year.

It is encouraging to report that our voluntary fund-raising income has again increased by some 10% to £245,141 during the year. This has been achieved in spite of the fund raising post being vacant for most of the year as Erica Wooff, our new funding development officer, was only appointed in January 2000. Grant income which is our major source of income has also increased and our total income from all sources has increased by 5% to £1,090,238. I would like to thank all those who have contributed financially to our work and in particular Southwark Council which is our principal benefactor.

In March 2000 we moved our banking arrangements to The Royal Bank of Scotland from Close Brothers (who had recently acquired our long standing bankers, Rea Brothers) when the latter informed us they were withdrawing from retail banking.

Pauline Morrison and Abraham Teclé continue to provide financial information relevant to the needs of managers and your Council and I are grateful for their support during another busy year.

Angus Gilroy
Hon. Treasurer

RESPONSIBILITIES OF THE MEMBERS OF COUNCIL

Company law requires the Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the financial activities of the company for that year. In preparing these accounts, the Council is required to:

- select suitable accounting policies 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 operation.

The Council is 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.

REPORT OF THE AUDITORS

to the members of
CAMBRIDGE HOUSE AND TALBOT

We have audited the accounts on this page and page 5 and 'Notes to the Accounts' on pages 10 to 12 which have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the accounting policies set out on page 10.

Respective Responsibilities of the Members of Council and the Auditors

As described on page 3, the members of Council, who are also the directors of Cambridge House and Talbot for the purposes of company law, are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the members of Council in the preparation of the accounts, 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 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of Cambridge House and Talbot at 31st March 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chantrey Vellacott DFK
CHANTREY VELLACOTT DFK

Chartered Accountants
Registered Auditors
19th June 2000

Russell Square House
10-12 Russell Square
London
WC1B 5LF

BALANCE SHEET at 31st MARCH 2000

1999		2000
£		£
	FIXED ASSETS	
320,613	Tangible Assets (note 5)	322,386
<u>139,114</u>	Investments (note 6)	115,238
<u>459,727</u>		437,624
	CURRENT ASSETS	
31,402	Debtors	51,183
6,236	Prepayments	8,578
<u>184,274</u>	Bank balances and Cash	<u>188,875</u>
<u>221,912</u>		<u>248,636</u>
	LESS: CREDITORS Falling due within one year	
24,042	Taxes and social security costs	24,692
438	Other Creditors	376
<u>33,259</u>	Accruals	<u>46,957</u>
<u>57,739</u>		<u>72,025</u>
<u>164,173</u>	NET CURRENT ASSETS	<u>176,611</u>
<u>623,900</u>		<u>614,235</u>
	RESERVES	
	UNRESTRICTED FUNDS	
35,000	Development Fund (note 10)	30,000
30,511	General Fund	42,383
49,050	Unrealised Investment Surplus	27,178
8,000	Equipment Fund	8,000
<u>122,561</u>		107,561
	RESTRICTED CAPITAL FUNDS	
320,613	Tangible Fixed Assets Fund	322,386
18,634	Legal Centre Equipment	3,232
<u>1,125</u>	Other Equipment	<u>1,125</u>
<u>340,372</u>		326,743
	RESTRICTED REVENUE FUNDS	
31,604	Project Funds (note 7)	46,122
53,692	Contingencies Fund (note 8)	61,392
43,714	Provision for future maintenance (note 7)	39,495
<u>31,957</u>	Centenary Appeal (note 7)	<u>32,922</u>
<u>160,967</u>		<u>179,931</u>
<u>623,900</u>		<u>614,235</u>

Approved by the Council on 19th June 2000 and signed on
its behalf by Robert Park - Chair

Robert Park

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income & Expenditure Account)
for the year ended 31st MARCH 2000

	Unrestricted Funds	Restricted Capital Funds	Restricted Revenue Funds	Totals 2000	Totals 1999
	£	£	£	£	£
RESOURCES ARISING					
Voluntary fundraising	39,900	4,000	201,241	245,141	224,865
Grants receivable	20,622	–	760,917	781,539	744,980
Investment income (note 6)	62,593	–	965	63,558	65,884
GROSS RESOURCES ARISING IN THE YEAR	123,115	4,000	963,123	1,090,238	1,035,729
RESOURCES USED					
Direct charitable expenditure	–	(19,402)	(785,037)	(804,439)	(823,210)
Support costs charged to projects	–	–	(190,407)	(190,407)	(169,373)
Fundraising and publicity	(7,761)	–	–	(7,761)	(26,014)
Administration	(108,162)	–	–	(108,162)	(98,397)
Expenditure capitalised	–	23,655	–	23,655	14,138
Depreciation	–	(21,882)	–	(21,882)	(18,449)
Other provisions	(35,504)	–	35,504	–	–
RESOURCES USED IN THE YEAR	(151,427)	(17,629)	(939,940)	(1,108,996)	(1,121,305)
NET INCOMING/OUTGOING RESOURCES BEFORE TRANSFERS	(28,312)	(13,629)	23,183	(18,758)	(85,576)
Provision for future maintainance	4,219	–	(4,219)	–	–
NET INCOMING/OUTGOING RESOURCES BEFORE INVESTMENT GAINS AND LOSSES	(24,093)	(13,629)	18,964	(18,758)	(85,576)
Gains on investments realised	1,766	–	–	1,766	–
Gains on investments unrealised	7,327	–	–	7,327	2,835
NET MOVEMENT IN FUNDS	(15,000)	(13,629)	18,964	(9,665)	(82,741)
Balance at 1st April 1999	122,561	340,372	160,967	623,900	698,641
Prior year adjustments – Provisions (note 1)	–	–	–	–	8,000
BALANCE AT 31st MARCH 2000	107,561	326,743	179,931	614,235	623,900

All the above accounts relate to continuing activities. The notes on pages 10 to 12 form part of these financial statements. All gains and losses are shown above.

CAMBERWELL ADVOCACY OFFICE

1999		2000	
£		£	£
INCOME			
121,659	L.B. Southwark	127,168	
15,261	L.S.L. Health Authority	15,642	
-	Other Income	335	
<u>136,920</u>			143,145
EXPENDITURE			
104,338	Salaries & NI	102,231	
4,519	Office Resources & Equipment	4,704	
300	Publicity & Training	358	
688	Travel Expenses	1,022	
349	General Expenses	530	
1,359	Staff Recruitment	1,117	
17,512	Support Costs	19,032	
8,837	Rent - inc. services	8,476	
<u>137,902</u>			137,470
(982)	Excess of Income/(Expenditure)	5,675	
982	Transfer to/from Contingencies Fund	(500)	
<u>2,000</u>	Balance brought forward	<u>2,000</u>	
<u>2,000</u>	Balance carried to Balance Sheet	<u>7,175</u>	

INDEPENDENT ADVOCACY SERVICE

1999		2000	
£		£	£
INCOME			
45,474	L.B. Southwark	93,495	
11,990	L.B. Southwark	25,755	
45,473	L.S.L. Health Authority	-	
55	Other Income	7,780	
<u>102,992</u>			127,030
EXPENDITURE			
95,312	Salaries & NI	100,461	
5,090	Office Resources	4,291	
196	Office Equipment	163	
429	Training	1,250	
1,014	General Expenses	945	
677	Travel Expenses	1,050	
274	Books & Subscriptions	170	
645	Printing & Publicity	1,375	
1,715	Recruitment	-	
14,674	Support Costs	14,088	
8,560	Rent - inc. services	9,360	
<u>128,586</u>			133,153
(25,594)	Excess of Expenditure	(6,123)	
(9,559)	Transfer to Contingencies Fund	(500)	
<u>45,511</u>	Balance brought forward	<u>10,358</u>	
<u>10,358</u>	Balance carried to Balance Sheet	<u>3,735</u>	

ADULT EDUCATION CENTRE

1999		2000	
£		£	£
INCOME			
	The Further Education Funding		
76,163	Council	65,716	
2,000	Donations and Other Income	608	
<u>78,163</u>			66,324
EXPENDITURE			
59,331	Salaries & NI	44,331	
3,636	Office Resources	3,381	
238	Teaching Resources	516	
804	General Expenses	624	
266	Travel Expenses	170	
22,042	Tutor Hours	23,991	
-	Staff Recruitment	955	
-	Staff Training	2,610	
1,942	Network Training	2,761	
894	Audit Fee	1,000	
15,411	Support Costs	15,600	
14,027	Rent - inc. services	15,336	
<u>118,591</u>			111,275
(40,428)	Excess of Expenditure	(44,951)	
-	Transfer from Contingencies Fund	1,477	
(24,470)	Deficit balance brought forward	(64,898)	
<u>(64,898)</u>	Balance carried to Balance Sheet	<u>(108,372)</u>	

LEGAL CENTRE

1999		2000	
£		£	£
INCOME			
82,628	L.B. Southwark	85,024	
52,730	Legal Aid Society	68,271	
36,417	Law Society Fees and Costs	39,283	
9,795	Donations	14,550	
310	Other Income	232	
<u>181,880</u>			207,360
EXPENDITURE			
129,864	Salaries & NI	127,648	
5,144	Office Resources	5,909	
4,674	Books & Subscriptions	5,232	
1,545	General Expenses	1,181	
4,634	Disbursements	7,003	
1,539	Practising Certificates	459	
1,613	Staff Recruitment & Training	6,814	
23,028	Support Costs	24,024	
12,654	Rent - inc. services	13,836	
<u>184,695</u>			192,106
(2,815)	Excess of Income/(Expenditure)	15,254	
(7,150)	Less provision for capital equipment	-	
1,443	Transfer to/from contingencies fund	-	
-	(Deficit) Balance brought forward	(8,522)	
	Balance/(Deficit) carried to		
<u>(8,522)</u>	Balance Sheet	<u>6,732</u>	

CAMBRIDGE HOUSE YOUNG PEOPLES PROJECT

1999		2000	
£		£	£
INCOME			
62,687	L.B. Southwark	64,505	
6,000	Magdalene College Youth Trust	5,000	
2,350	Capital Radio - HALC	-	
800	Fundraising	1,982	
865	Fees	972	
3,358	Other Income	2,109	
<u>76,060</u>			74,568
EXPENDITURE			
55,338	Salaries & NI	53,593	
1,664	Office Resources	2,320	
1,164	General Expenses	291	
105	Minibus Expenses	-	
359	Camp Expenses	885	
6,017	Activity Costs	2,962	
437	Staff Training	-	
11,022	Support Costs	9,060	
2,751	Rent - inc. services	3,982	
<u>78,857</u>			73,093
(2,797)	Excess of Income/(Expenditure)	1,475	
(3,350)	Allocated for 1999/2000	3,350	
(1,604)	Transfer to Contingencies Fund	(1,900)	
7,751	Balance brought forward	-	
	Balance/(Deficit) carried to		
<u>-</u>	Balance Sheet	<u>2,925</u>	

ONLY CONNECT

1999		2000	
£		£	£
INCOME			
171,260	L.B. Southwark	155,402	
18,280	Joint Finance	31,085	
-	HAZ	20,000	
16,496	BBC Children in Need	13,932	
2,716	Capital Radio H.A.L.C.	-	
4,800	Carlton Television	-	
9,000	Hedley Foundation	10,000	
1,598	Newcomen Collett	3,750	
2,928	London Arts Board	16,190	
5,478	Paul Hamlyn	-	
5,755	Wardens of St. Saviours	-	
5,000	Equitable Trust	5,000	
3,670	IBM UK Trust	-	
-	Pool of London	1,213	
-	Millennium Fund	9,000	
-	Sure Start	3,938	
10,117	Fees	8,425	
839	C.H. & T. Lottery Income	498	
7,904	Donations and Other Income	1,188	
<u>265,841</u>			279,621
EXPENDITURE			
163,945	Salaries & NI	163,932	
4,252	Office Resources	3,882	
602	Printing & Publicity	211	
4,449	Volunteers Expenses	3,942	
333	Travel Expenses	152	
1,062	General Expenses	276	
1,413	Staff Training	964	
56,519	Activity Costs	35,505	
386	Lottery Prizes	296	
2,003	Consultancy	-	
1,443	Recruitment	3,538	
32,120	Support Costs	37,751	
8,653	Rent - inc. services	9,383	
<u>277,180</u>			259,832
(11,339)	Excess of Income/(Expenditure)	19,789	
-	Transfer from Contingencies Fund	2,067	
1,914	Balance brought forward	(9,425)	
<u>(9,425)</u>	Balance carried to Balance Sheet		12,431

Included in above is deferred income of £14,594 to be used in 2000/2001.

PEOPLE TO PEOPLE

1999		2000	
£		£	£
INCOME			
28,150	Joint Finance	28,854	
3,000	The Body Shop	2,000	
-	Peabody Trust	4,198	
3,750	Charity Projects	-	
14,488	Mental Health Foundation	10,866	
5,070	Choice Support	6,000	
-	Richardson Trust	5,000	
13,956	Donations and Other Income	7,192	
<u>68,414</u>			64,110
EXPENDITURE			
58,144	Salaries & NI	48,341	
1,451	Office Resources	1,323	
113	Printing & Publicity	565	
448	Training	695	
419	Travel Expenses	288	
287	General Expenses	744	
-	Office Equipment	3,050	
132	Insurance	122	
-	Counselling Supervision	658	
758	Service Premises	468	
1,500	Research and Development	-	
11,691	Support Costs	12,744	
7,453	Rent - inc. services	8,148	
<u>82,396</u>			77,146
(13,982)	Excess of Expenditure	(13,036)	
-	Transfer from Contingencies Fund	2,067	
8,853	Balance brought forward	(5,129)	
<u>(5,129)</u>	Balance carried to Balance Sheet		(16,098)

Included in above is deferred income of £5,000 to be used in 2000/2001.

GENERAL FUND

1999		2000	
£		£	£
INCOME			
13,225	L.B. Southwark – Core Funding	20,622	
31,192	Donations	18,577	
2,984	Income from Listed Investments	2,519	
14,665	Bank Interest	7,600	
3,006	Photocopying	2,540	
12,152	Other Income	23,783	
<u>77,224</u>			75,641
Charges to Activities:			
125,264	Support Costs	121,887	
62,934	Rent – inc. services	68,520	
<u>188,198</u>			190,407
46,706	Rent receivable	52,474	52,474
<u>312,128</u>		<u>318,522</u>	
EXPENDITURE			
Administration			
151,908	Salaries & NI	164,729	
3,128	Advertising for staff	3,307	
13,511	Office Resources	13,474	
1,469	Fees and Subscriptions	1,270	
3,951	Annual Report	4,003	
1,805	General Expenses	1,734	
278	Travel & Hospitality	241	
3,821	Audit Fees	2,930	
1,212	Bank Charges	1,158	
914	Publicity	582	
3,223	Staff Training	1,213	
<u>185,220</u>			194,641
Premises			
4,119	Rates	4,046	
10,322	Lighting & Heating	10,197	
17,933	Insurance	17,547	
18,748	Cleaning	17,838	
31,617	Maintenance	34,179	
31,037	Major Repairs	28,179	
<u>113,776</u>			111,986
Other Expenses			
562	Annual General Meeting	484	
<u>562</u>			484

GENERAL FUND continued from previous column

1999		2000	
£		£	£
Provisions			
40,428	Adult Education	43,474	
8,522	Legal Centre	(8,522)	
14,903	Only Connect	(12,740)	
7,807	People To People	13,291	
<u>71,660</u>			35,503
<u>371,218</u>			<u>342,614</u>
Excess of Expenditure before			
(59,090)	investment gain		(24,092)
–	Gain on investment disposal – realised		29,198
Excess of Income/(Expenditure) after			
(59,090)	investment gain		5,106
–	Release of unrealised investment surplus		1,766
124,601	Balance brought forward		30,511
–	Transfer from Development Fund		30,000
(35,000)	Transfer to Development Fund		(25,000)
<u>30,511</u>	Balance carried to Balance Sheet		<u>42,383</u>

GENERAL FUND continued next column

NOTES TO THE ACCOUNTS

for the year ended 31st March 2000

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention, except for investments stated at market value, and in accordance with the Companies Act 1985, the Statement of Recommended Practice 'Accounting by Charities' (SORP) and applicable accounting standards.

Provisions

The Provision for Photocopier Equipment has been reclassified as an unrestricted reserve. This represents a change in accounting policy and comparative figures have been restated to reflect this.

Income and Expenditure Account

A separate Income and Expenditure Account has not been prepared as the figures comprising net income/ expenditure for the year shown in the Statement of Financial Activities on page 5 give the information required under the Companies Act 1985, together with details of other recognised gains and losses.

Fund Accounting

Unrestricted funds include The Development Fund set aside by the Council to enable the charity to carry out organisational changes to meet the challenges in the new millennium and the accumulated surplus on the General Fund. They are available for use at the discretion of the Council in furtherance of the general charitable objectives.

Restricted capital funds are the Tangible Fixed Assets Funds which comprise the Premises and Equipment Funds. These funds represents the extent to which restricted funds are either invested or earmarked for investment by the charity.

Restricted revenue funds are available for Project Activities and are subject to specific restrictions imposed by the donors. Where possible an allocation is made for unforeseen expenditure and held in Project Contingency Funds.

Resources Arising

Resources arising include the total income received during the year by the charity generally and its projects; these comprise donations, grants and income from fundraising activities. Grants, donations, appeals and investment income are accounted for when receivable.

Grants

All grants receivable which relate to the year are credited to income within the Statement of Financial Activities, with unspent balances being carried forward to subsequent years within restricted funds.

Resources Used

The costs of projects comprise expenditure, including staff costs, directly attributable to the project activity.

Where costs can not be directly attributed they have been allocated to projects on a cost basis consistent with budgeted use of the resources.

Support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of projects and include accommodation costs and an appropriate proportion of general overheads.

Central costs are allocated to projects on the basis of their use of services with the aim of ensuring that those costs remaining within administration relate to the management of Cambridge House and Talbot's assets, organisational administration and compliance with constitutional and statutory requirements.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. An amount equal to expenditure on tangible fixed assets is transferred to the Tangible Fixed Assets Funds within the Statement of Financial Activities. Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold Properties	2%
Leasehold Properties	<i>lesser of 20 years and lease period</i>
Fixtures and Fittings	25%

Investments

Investments are stated at market value as at the Balance Sheet date and the gain or loss taken to the Statement of Financial Activities.

2. LAND AND BUILDINGS

The freehold buildings together with fixtures and fittings are valued at £2,036,000 for insurance purposes. The accounts include the cost of improvements to buildings but not the original cost as the land and buildings were given to the company as an endowment.

3. CHANGES IN RESOURCES IN THE YEAR

The changes in resources in the year is after charging:

	2000 £	1999 £
Auditors remuneration:		
Audit fees	3,525	4,120
(Over)/under accrual	(595)	(299)
FEFC audit	1,000	894
Other services	-	-
Depreciation	21,882	18,449

The grants receivable are set out in the project accounts on pages 6, 7 and 8.

4. EMPLOYEE INFORMATION

- a. The average number of employees employed by the Company during the year was 69 (1999 – 75).
 b. No remuneration or expenses were paid to any member of the Council during the year.
 The charity has incurred the cost of funding a professional indemnity insurance, including trustee indemnity at a negligible cost, which protects the charity against loss arising from claims of neglect and defaults of its employees, volunteers, directors or officers.

c. Staff costs:	2000	1999
	£	£
Wages and Salary Costs	788,556	790,146
Social Security Costs	65,330	67,289
	<u>853,886</u>	<u>857,435</u>

5. TANGIBLE ASSETS

	Freehold Premises	Long Leasehold	Short Leasehold	Equipment	Total
	£	£	£	£	£
Cost					
At 31st March 1999	335,881	16,926	13,657	123,629	490,093
Additions	–	–	–	23,655	23,655
At 31st March 2000	<u>335,881</u>	<u>16,926</u>	<u>13,657</u>	<u>147,284</u>	<u>513,748</u>
Depreciation					
At 31st March 1999	33,590	16,926	13,657	105,307	169,480
Provision for year	6,718	–	–	15,164	21,882
At 31st March 2000	<u>40,308</u>	<u>16,926</u>	<u>13,657</u>	<u>120,471</u>	<u>191,362</u>
Net book amount					
At 31st March 1999	302,291	–	–	18,322	320,613
At 31st March 2000	<u>295,573</u>	<u>–</u>	<u>–</u>	<u>26,813</u>	<u>322,386</u>

Substantially all the fixed assets are used for direct charitable purposes.

6. INVESTMENTS

	Deposits Centenary Appeal	Unit Trusts General Fund	Unlisted Investments	Total
	£	£	£	£
At Market Value				
31st March 1999 (Cost: £88,535)	31,957	107,074	83	139,114
31st March 2000 (Cost: £85,565)	<u>32,922</u>	<u>82,233</u>	<u>83</u>	<u>115,238</u>

GENERAL FUND INVESTMENT MOVEMENTS IN THE YEAR

Balance at 1st April 1999	107,074
Disposals	(32,168)
Net gain arising on revaluations during the year	<u>7,327</u>
Balance at 31st March 2000	<u>82,233</u>

Investment Income

	Rent	Bank Interest	Income from Unit Trusts	Deposits Centenary Appeal	Total
	£	£	£	£	£
31st March 1999	46,706	14,665	2,984	1,529	65,884
31st March 2000	<u>52,474</u>	<u>7,600</u>	<u>2,519</u>	<u>965</u>	<u>63,558</u>

At 31st March 2000 the principal investments held were:

Unit Trusts	Units Held	Market Value
Charity Equity Fund	16824	43,538
Chariguard UK Equity Fund Income Units	1923	38,557

7. RESTRICTED REVENUE FUNDS

Restricted Revenue Funds comprise the following unexpended balances of donations and grants given for specific purposes:

	Balance at 1st April 99	Income	Expenditure	Transfer to Contingencies Fund	Balance At 31st March 00
PROJECTS	£	£	£	£	£
Camberwell Advocacy Office	2,000	143,145	137,470	500	7,175
Legal Centre	(8,522)	207,360	192,106	-	6,732
Adult Education	(64,898)	66,324	111,275	(1,477)	(108,372)
Only Connect	(9,425)	279,621	259,832	(2,067)	12,431
CHYPP	3,350	74,568	73,093	1,900	2,925
Futures Employment	7,740	-	1,780	-	5,960
People To People	(5,129)	64,110	77,146	(2,067)	(16,098)
Independent Advocacy Service	10,358	127,030	133,153	500	3,735
	(64,526)	962,158	985,855	(2,711)	(85,512)
Provision for deficits	96,130	-	(35,504)	-	131,634
	31,604	962,158	950,351	(2,711)	46,122
Contingency Fund (note 8)	53,692	-	(10,411)	2,711	61,392
	85,296	962,158	939,940	-	107,514
Centenary Appeal Fund	31,957	965	-	-	32,922
	117,253	963,123	939,940	-	140,436
Provision for future maintenance	43,714	-	4,219	-	39,495
	160,967	963,123	944,159	-	179,931

8. ANALYSIS OF CONTINGENCIES FUND

	Balance at 1st April 99	Project Fund Transfers	General Fund Transfers	Balance at 31st March 00
PROJECTS	£	£	£	£
Camberwell Advocacy Office	19,582	500	1,477	21,559
Legal Centre	-	-	1,477	1,477
Adult Education	-	(1,477)	1,477	-
Only Connect	-	(2,067)	2,067	-
CHYPP	6,343	1,900	923	9,166
People to People	-	(2,067)	2,067	-
Independent Advocacy Service	27,767	500	923	29,190
	53,692	(2,711)	10,411	61,392

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Capital Funds	Restricted Revenue Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	322,386	-	322,386
Investments	82,316	-	32,922	115,238
Current assets	97,270	4,357	147,009	248,636
Current liabilities	(72,025)	-	-	(72,025)
	107,561	326,743	179,931	614,235

10. DEVELOPMENT FUND

1999		2000
£		£
-	Balance 1.4.99	35,000
35,000	Transferred during the year from General Fund	25,000
-	Transferred during the year from Development Fund	(30,000)
<u>35,000</u>	Balance transferred to Balance Sheet	<u>30,000</u>