

**Cambridge House**

# **Annual Report and Financial Statements**

Year ended 31 March 2007

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Cambridge House and Talbot  
Company Limited by Guarantee No 1050006  
Charity Registration No 265103  
VAT Registration No 802 6719 39

# Report of the Trustees 2006-2007

Cambridge House and Talbot is an independent charity registered as a company limited by guarantee. We began life in 1889 in Camberwell as a philanthropic settlement of Cambridge University, and so are part of the 19th century settlement movement. We have remained in Camberwell ever since, and have evolved into a vibrant not-for-profit organisation that provides a range of services and resources to our local community. Some activities are local, for example, acting as a provider of youth and community development work in the Camberwell and Walworth neighbourhoods. Some are Southwark wide, for example, providing legal advice and advocacy services, and supporting people with learning disabilities and their families. And from 1st April 2007 we have expanded our advocacy services beyond Southwark by being awarded contracts to provide Independent Mental Capacity Advocacy in 13 other London boroughs as well as Southwark.

Our overall aim is to tackle the local effects of poverty, disadvantage and discrimination, still primarily in Southwark, South London. Through seeking to increase choice, promote opportunities, and enable change, we aim to

- Encourage, support and equip local people to take more control over their lives and environment
- Address both the cause and effect of poverty
- Challenge inequality, discrimination and exclusion
- Bring people and communities together to achieve mutually beneficial change

The trustees, who are also directors of the charity for the purposes of the Companies Act 1985, submit this Annual Report (incorporating the report of the Directors) and the audited financial statements for the year ended 31st March 2007.

## Structure, Governance and Management

Cambridge House and Talbot is governed by the charity trustees/company directors (collectively called The Council) who are elected at the Annual General Meeting. The Council meets each month to manage the business of the organisation. Each year one third of the Council members stand down at the Annual General Meeting and are eligible for re-election. There is a well-defined induction process for all new members of staff, which also includes new Trustee induction.

At 31st March 2007 the Council members were

Robert Park (Chair), Will Anderson (Hon. Treasurer), Jenny Gilthorpe (Company Secretary), Graham Fisher, Phil Gannon, Rhys Moore (from 21 12 06), Yen Nyega, Shveta Shah (from 21 12 06) and Tim Ward.

Very many thanks are due to Professor Jenny Harrow, who resigned in September 2006 having been a Trustee for a number of years. We welcome Rhys Moore and Shveta Shah as new Trustees who were appointed through a new openly advertised trustee recruitment process we adopted this year.

The Council appoints sub-committees and working groups to operate with delegated responsibilities. In the year 2006/07 the following sub-committees and working groups met with the involvement of Council members:

**Finance and Fund-raising**  
Will Anderson

**Building Development**  
Robert Park and Tim Ward

**ICT**  
Will Anderson and Tim Ward

The Council appoints a Chief Executive, Clare Gilhooly, to manage the organisation. The delegated responsibilities and accountabilities of the Chief Executive and other managers are set out in the organisation's Responsibility Matrix and in individual job descriptions.

The Risk Register which is maintained by the charity for risk management purposes, is reviewed by the Council twice a year in order to ensure that the material risks to which the charity is exposed are properly identified and evaluated in terms of inherent and residual risk. Appropriate actions are then scheduled to manage the residual risk to a level which the Council considers acceptable.

## Objectives and Activities

2006-2007 was the second full year of implementation of our three year Strategic Plan, as set out in earlier reports. We are still strongly committed to our six specific aims, the first three about having a greater impact, and the second three about building a stronger organisation.

Our three aims to achieve greater impact are

- to improve the services we already offer, in particular in relation to advice and advocacy, and our community services
- to become a more active voice for our users and the community
- to expand our role as a neighbourhood centre

Our three aims to become a stronger organisation are

- to create more modern offices and facilities
- to improve our communications with all our key stakeholders
- to strengthen our management and finance systems

Our established in-house activities continued to provide a range of high quality services and activities. In summary, these are

## Community Advice and Advocacy

**Cambridge House Law Centre** – providing advice and representation in employment, community care, housing, debt and welfare benefits

**Cambridge House Advocacy Team (CHAT)** – providing independent advocacy support to people with severe learning disabilities including self advocacy and children's advocacy

**Cambridge House Advocacy Service** – providing support and representation to ensure that Southwark residents receive appropriate Community Care and Mental Health in-patient services. Residential Care advocacy was piloted in 4 residential homes for older people during the year.

**Cambridge House Peer Advocacy** – providing training and support for previous and current mental health service users

# Report of the Trustees (continued)

## Community Services

**Cambridge House Young People's Project** – providing a range of youth projects, including the IDK Tolerance and Diversity Project and summer activities which include residential trips to our own campsite

**Cambridge House Learning Disabilities Services** – providing a range of services around Southwark for children and young adults with severe learning disabilities, including our long-standing Play and Respite Care Scheme

**Cambridge House Butterfly Nursery and Creche** – continuing to provide local crèches in addition to a 25-place day nursery

## Community Development

**Cambridge House Community Development Team** – providing community development support to communities living in the priority neighbourhood areas of East and West Camberwell and West Walworth

**Cambridge House Central Services** – providing office and meeting space, PAYE and informal support to other voluntary organisations and community groups

Volunteers play a crucial part in our activities. Providing opportunities to volunteer is also important to us as a way of enabling local people to make a contribution to their local community, and as a way of enhancing their own skills. At our AGM in October, we celebrated the contribution of our volunteers and Robert Radford received the annual Altaf Hussain Award for services to Cambridge House.

## Achievements and Performance

As well as increasing our total incoming resources by 8% in 2006/07 largely through new activities, we have made good progress towards achieving our six aims.

As reported in our 2005/06 report, one key aim for this year was to push ahead with our Community Development and Enterprise area to generate new 'business' and increase unrestricted income to the organisation. To this end we recruited Burger Edwards as our third programme manager to oversee this area.

### On 'Improving the services we already offer',

- IDK – 'I didn't know' - the innovative Tolerance and Diversity project with local young people was 'Highly Commended' in the national Community Care magazine awards
- IMCA – Independent Mental Capacity Advocacy pilot service was so successful in 2006/07 it laid the firm foundations for us to secure contracts to deliver the IMCA service in a total of 14 London Boroughs
- Arts Animation – We developed a unique animation project with a group of young people with autism
- Butterfly Nursery – has recouped its full costs for the first time this year justifying the confidence held and investment made in this service

### On 'Becoming a more active voice for our users and the community',

Both our advocacy and young people's services have made particular progress in this area including training for peer advocates for people with mental health issues, training and employment for peer mentors with young people, a disabled young people advocacy group, an open day for advocacy service users and the facilitation of group advocacy with service users facing the loss of the use of their education and social facilities at the Grange Centre.

### On 'Expanding our role as a neighbourhood centre',

We have increased the number of Tenant organisations utilising our building for their office space and own service delivery base. Our established work with Community Champions has evolved to include an element of employment, for long standing Champions, for them to undertake outreach work to recruit and support more local people to be involved in community activities. We have informally mentored a number of smaller local community organisations.

### On 'Creating more modern offices and facilities',

We have engaged Drivers Jonas, Commercial Property Consultants, to advise us on the opportunities open to us as the freeholders of our building and to consider a) should we sell the building in order to buy or lease more appropriate space or b) if we should remain here what would our options be? This work is progressing and will enable Trustees to make informed decisions about the future of the building.

One office has been completely 'made over' as a sample of what could be achieved with appropriate investment which also provided an opportunity to undertake some remedial work on the north wall. Many offices and public areas have been redecorated including the Law Centre which has additionally created a new office and had new flooring laid.

The Trustees have recently committed to undertake major work on four of the roofs of the Georgian Houses which will mean a major, but essential, financial commitment in 2007/08. This commitment is referred to in note 9 of the Accounts.

### On 'Improving our communications with all our key stakeholders',

We have improved a number of elements of our external communications in particular through our written literature and investment in software that enables us to produce documents in more accessible formats. We have increased our expectation that our Chief Executive has a more external brief with existing and developing new stakeholders.

On behalf of BASSAC, our national umbrella organisation, we hosted a successful visit with Campbell Robb, Director General of the Office of the Third Sector in the Cabinet Office.

### On 'Strengthening our management and finance systems',

Our database with Cambridge House Advocacy Service has been externally praised as 'the best advocacy specific database devised to date'. We have seen a marked improvement in the satisfaction of funders with the level and detail of information we are able to provide.

We completed our Senior Management Team with the appointment of a Programme Manager for Community Development and Enterprise in August 2006.

# Report of the Trustees (continued)

## Financial Review

During the year the charity's incoming resources increased by 8% to £2.0m. London Borough of Southwark continued to be the largest single provider of funds to the charity at 55% (2006 – 55%), in total, funds received from public bodies amounted to 73% (2006 – 81%) of total incoming resources. Total expenditure increased by 12% (2006 – 12%) as the charity continued to invest in its organisational infrastructure. The net result for the year before the net investment gain was a deficit of £70,333 (2006 – deficit £3,270).

The charity prepares annual budgets for all activities and monitors performance against these in order to ensure that any activity operating at a deficit is carefully monitored and that opportunities are taken to increase unrestricted funds. Deficits totalling £25,275 have been met from unrestricted funds.

Unrestricted designated funds relating to the charity's programmes are funds earmarked for use by those programmes. The Trustees review the level of such funds carried forward by each programme. At the end of this financial year the Trustees decided to transfer £86,393 of unrestricted designated funds which had been earmarked for the Community Advice and Advocacy programme to unrestricted general funds.

The Council's reserves policy is to maintain total reserves, excluding the element which relates to tangible fixed assets, at a level which is not less than approximately three months' operating costs in order to provide the charity with some ability to cope with unforeseen expenditure or interruptions in income flows. Based on last year's results, three months' operating costs amounted to approximately £511,000 which is greater than the charity's total reserves, excluding the element which relates to tangible fixed assets, at 31st March 2007 which amounted to £423,250. This situation, which has arisen as a result of significant capital expenditure in the year, has brought into sharper focus the need to increase unrestricted funds.

During the year the Council reconsidered its investment policy and concluded that cash resources which exceeded working capital requirements should be invested in unit trusts which were "ethically" invested. The investment performance for the year is considered to be satisfactory.

## Plans for the future

We will continue to work towards the achievement of our six strategic aims and will be reviewing these in preparation for the next three year Strategic Plan period which starts in April 2008.

We are looking to increase our Corporate Partnerships and in 2006/07 we hosted two 'Seeing is Believing' days for City organisations. This has led to positive talks with Broadgate Estates with whom we hope in 2007/08 to form a significant Charity/Corporate relationship.

Along with continuing to deliver excellence in our direct services and also in nurturing relationships with our tenants and other local voluntary and community organisations, a significant priority for the coming year is developing our building.

We will be reviewing our finance systems to ensure they are robust and can respond appropriately to the needs of a growing organisation in an ever increasingly complex external environment.

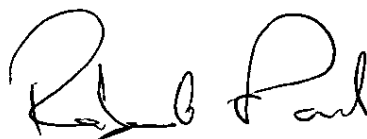
With all our plans for the coming year comes a caution that whilst we have been very successful in building our profile and developing our services, not all areas are cost effective and we are subsidising a number of areas of work from unrestricted reserves which are gradually decreasing year on year. We fully recognise the opportunities open to the not-for-profit sector to develop and provide new and better public services. However, our longer term capacity to deliver all our work will be impaired if public funding of these services does not enable us to recover our full costs. Commissioners must recognise that to deliver the performance rightly required of us, we need a modern management and support infrastructure and this has to be paid for.

## Concluding remarks

The work summarised in this report would not have been possible without the ongoing contributions and dedicated work of Council members, staff and volunteers, all of whom are thanked. Thanks are also due to our funders and contributors without whose support our work with local people and their communities could not have been sustained and developed during the year.

Particular thanks are due to Macfarlanes, Solicitors who not only make a generous financial contribution to our Law Centre, but also provide us with our Company Secretary and a committed group of solicitors who twice a month provide Debt Advice surgeries for local people.

Signed on behalf of the Trustees/Directors



Robert Park (Chair)  
18th July 2007

## Reference and administration details

Registered Office  
131 Camberwell Road, London SE5 0HF  
Tel 020 7358 7000  
Fax 020 7703 2903  
www.ch1889.org  
info@ch1889.org

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

Auditor  
Chantrey Vellacourt DFK LLP  
Russell Square House  
10-12 Russell Square, London WC1B 5LF

# Statement of responsibilities of the trustees

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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.

Each Trustee who was a Director of the charity at the date of this report was approved has taken all steps that they ought to have taken as Directors in order to

- Make themselves aware of any relevant audit information (as defined by the Companies Act 1985), and
- Ensure that the auditors are aware of all relevant information (as defined)

As far as each Director is aware, there is no relevant audit information of which the charity's auditors are unaware.

The maintenance and integrity of the charity's website is the responsibility of the Trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislations in other jurisdictions.

# Independent Auditor's Report

## to the members of Cambridge House and Talbot

We have audited the financial statements of Cambridge House and Talbot for the year ended 31 March 2007 which comprise the Statement of Financial Activities, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Trustees and Auditors

As described in the Statement of Responsibilities of the Trustees, the trustees (who are also the directors of Cambridge House for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom 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 report to you whether, in our opinion, the information given in the Report of the Trustees is consistent with the financial statements.

We also report to you if, in our opinion, the charitable company 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 directors' remuneration and other transactions with the charitable company is not disclosed.

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

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom 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 charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Trustees is consistent with the financial statements.



CHANTREY VELLACOTT DFK LLP

Chartered Accountants  
Registered Auditor

LONDON  
18th July 2007

# Statement of Financial Activities

incorporating an Income and Expenditure Account for the year ended 31 March 2007

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	9,968	-	32,611	42,579	46,961
Activities for generating funds (note 2)	101,259	-	-	101,259	103,414
Investment income (note 3)	16,790	-	-	16,790	14,537
	<u>128,017</u>	<u>-</u>	<u>32,611</u>	<u>160,628</u>	<u>164,912</u>
Incoming resources from charitable activities (note 4)	26,642	-	1,788,287	1,814,929	1,663,337
<b>Total incoming resources</b>	<u>154,659</u>	<u>-</u>	<u>1,820,898</u>	<u>1,975,557</u>	<u>1,828,249</u>
<b>Resources expended (notes 5 and 6)</b>					
Charitable activities costs (note 7)	(164,189)	(30,846)	(1,838,599)	(2,033,634)	(1,818,681)
Governance costs	(12,256)	-	-	(12,256)	(12,838)
<b>Total resources expended</b>	<u>(176,445)</u>	<u>(30,846)</u>	<u>(1,838,599)</u>	<u>(2,045,890)</u>	<u>(1,831,519)</u>
<b>Net (outgoing) resources before transfers</b>	(21,786)	(30,846)	(17,701)	(70,333)	(3,270)
<b>Transfers between funds (note 8)</b>	<u>6,740</u>	<u>(9,956)</u>	<u>3,216</u>	<u>-</u>	<u>-</u>
<b>Net (outgoing) resources before other recognised gains and losses, being net expenditure for the year</b>	(15,046)	(40,802)	(14,485)	(70,333)	(3,270)
Net realised/unrealised gain on investments	2,809	-	-	2,809	15,305
<b>Net movement in funds</b>	<u>(12,237)</u>	<u>(40,802)</u>	<u>(14,485)</u>	<u>(67,524)</u>	<u>12,035</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	165,040	445,348	193,753	804,141	792,106
<b>Total funds carried forward</b>	<u>152,803</u>	<u>404,546</u>	<u>179,268</u>	<u>736,617</u>	<u>804,141</u>

All the above accounts relate to continuing activities. The notes on pages 10 to 14 form part of these financial statements.

All gains and losses are shown above, hence no statement of total recognised gains and losses has been presented.



Cambridge House and Talbot

# Balance Sheet

at 31 March 2007

	2007 £	2006 £
<b>FIXED ASSETS</b>		
Tangible assets (note 9)	313,367	264,561
Investments (note 10)	84,686	82,070
	<u>398,053</u>	<u>346,631</u>
<b>CURRENT ASSETS</b>		
Debtors (note 11)	118,077	123,910
Bank balances and cash	475,215	652,958
	<u>593,292</u>	<u>776,868</u>
LESS CREDITORS falling due within one year (note 12)	<u>(254,728)</u>	<u>(319,358)</u>
<b>NET CURRENT ASSETS</b>	338,564	457,510
<b>NET ASSETS (note 16)</b>	<u>736,617</u>	<u>804,141</u>
<b>FUNDS</b>		
Unrestricted General Funds (note 13)	152,803	165,040
Unrestricted Designated Funds (note 14)	404,546	445,348
Total Unrestricted Funds	<u>557,349</u>	<u>610,388</u>
Restricted Funds (note 15)	179,268	193,753
<b>TOTAL CHARITY FUNDS</b>	<u>736,617</u>	<u>804,141</u>

Approved by the Council on 18th July 2007 authorised for issue and signed on its behalf by



Robert Park (Chair)

The notes on pages 10 to 14 form part of these financial statements

# Notes to the accounts

## for the year ended 31 March 2007

### 1 ACCOUNTING POLICIES

#### Basis of Accounting

The accounts have been prepared under the historical cost convention except for investments which are stated at market value, and in accordance with the Companies Act 1985, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in 2005, and applicable accounting standards

#### 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 8 give the information required under the Companies Act 1985, together with details of other recognised gains and losses

#### Fund Accounting

Unrestricted funds are available for use at the discretion of the Council in furtherance of the general charitable objects. Unrestricted Designated Funds are unrestricted funds which the Trustees have earmarked for particular uses by the Charity. All service activities are treated initially as Restricted Funds activities even though some elements may become unrestricted. Where, at the end of the financial year, all conditions of funding for a given activity have been met (thereby preventing clawback), any surplus is transferred to Unrestricted Designated Funds for the relevant programme. Any deficits arising for a particular activity are met firstly from related Restricted Reserves, then from available Unrestricted Designated Funds of that activity's programme or, in the absence of either of those, from Unrestricted General Funds. Restricted Funds are subject to specific restrictions imposed by the donors.

#### Incoming Resources

Incoming resources include the total income received during the year by the charity, these comprise donations, grants, contract income and income from services and fund raising activities. Grants, donations, contract income, appeals and investment income are accounted for when receivable. Incoming resources which relate to services provided are recognised in the period in which the related services are provided.

#### Resources Expended

All costs are recognised on accruals basis including VAT where irrecoverable. All charitable activities costs are charged to the programme/activity to which they are directly attributable. Costs which are incurred centrally are allocated to programme/activity on a basis which is consistent with the budgeted use of the resources. Governance costs include the cost of the statutory audit, the printing of the annual report and accounts and holding the annual general meeting.

#### Depreciation

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	lesser of 20 years and lease period
Equipment	25%

#### Investments

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

### 2 ACTIVITIES FOR GENERATING FUNDS

	2007	2006
	£	£
Rental income	91,089	96,168
Provision of payroll and other services	10,170	7,246
	<u>101,259</u>	<u>103,414</u>

### 3 INVESTMENT INCOME

	2007	2006
	£	£
Bank interest	14,627	11,692
Income from Unit Trusts	2,163	2,845
	<u>16,790</u>	<u>14,537</u>

# Notes to the accounts (continued)

## for the year ended 31 March 2007

**4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Community Advice and Advocacy	Community Services	Community Development	Total 2007	Total 2006
	£	£	£	£	£
London Borough of Southwark	437,068	504,044	115,678	1,056,790	1,007,135
Southwark Primary Care Trust	98,169	15,000	-	113,169	128,215
Legal Services Commission	153,660	-	-	153,660	137,260
Grant making trusts/similar	25,416	60,420	-	85,836	84,801
Other services	67,274	227,057	780	295,111	255,786
Other government/public bodies	55,664	28,056	26,643	110,363	50,140
	<u>837,251</u>	<u>834,577</u>	<u>143,101</u>	<u>1,814,929</u>	<u>1,663,337</u>
2006	<u>689,529</u>	<u>753,823</u>	<u>219,985</u>		<u>1,663,337</u>

**5 RESOURCES EXPENDED**

Resources expended include

		2007 £	2006 £
Auditor's remuneration	Audit fees	5,581	5,288
	Other services	705	-
Depreciation		<u>30,846</u>	<u>16,012</u>

**6 EMPLOYEE INFORMATION**

The average number of employees during the year was

	2007	2006
Full time employees	47	39
Part time employees and sessional workers (not expressed as full time equivalents)	38	49
	<u>85</u>	<u>88</u>

No remuneration or expenses were paid to any member of the Council during the year (2006 - nil)

Staff costs

	2007 £	2006 £
Wages and salary costs	1,347,964	1,251,856
Social security costs	121,351	110,180
Pension costs	<u>34,928</u>	<u>28,521</u>
	<u>1,504,243</u>	<u>1,390,557</u>

There were no employees earning more than £60,000 pa (2006 - nil)

**7 CHARITABLE ACTIVITIES COSTS**

	Community Advice and Advocacy	Community Services	Community Development	Total 2007	Total 2006
	£	£	£	£	£
Staff costs	743,342	638,157	122,744	1,504,243	1,390,557
Activity costs	123,763	217,299	25,792	366,854	269,104
Occupancy costs	<u>80,320</u>	<u>68,954</u>	<u>13,263</u>	<u>162,537</u>	<u>159,020</u>
	<u>947,425</u>	<u>924,410</u>	<u>161,799</u>	<u>2,033,634</u>	<u>1,818,681</u>
2006	<u>743,416</u>	<u>865,529</u>	<u>209,736</u>		<u>1,818,681</u>

# Notes to the accounts (continued)

## for the year ended 31 March 2007

**8 TRANSFER BETWEEN FUNDS**

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £
Transfer from Unrestricted General Funds in respect of fixed asset additions	(79,653)	79,653	-
Transfer from Unrestricted Designated Funds in respect of surpluses which the Trustees have decided should no longer be treated as designated	86,393	(86,393)	-
Transfer from Unrestricted Designated Funds to meet net deficits arising on service activities			
Community Advice and Advocacy	-	(2,131)	2,131
Community Services	-	(22,195)	22,195
Community Development	-	(949)	949
	-	(25,275)	25,275
Transfer from Restricted Reserves in respect of unrestricted surpluses generated by service activities			
Community Advice and Advocacy	-	7,734	(7,734)
Community Services	-	14,325	(14,325)
	-	22,059	(22,059)
<b>Total transfers between funds</b>	<b>6,740</b>	<b>(9,956)</b>	<b>3,216</b>

**9 TANGIBLE ASSETS**

	Freehold Premises £	Short Leasehold £	Equipment £	Total £
<b>Cost</b>				
At 1st April 2006	335,881	13,657	222,845	572,383
Additions	-	-	79,652	79,652
At 31st March 2007	335,881	13,657	302,497	652,035
<b>Depreciation</b>				
At 1st April 2006	80,616	13,657	213,549	307,822
Charge for year	6,718	-	24,128	30,846
At 31st March 2007	87,334	13,657	237,677	338,668
<b>Net book value</b>				
At 31st March 2006	255,265	-	9,296	264,561
At 31st March 2007	248,547	-	64,820	313,367

All the fixed assets are used for direct charitable purposes

Capital expenditure committed but not provided for at 31st March 2007 amounted to £60,000 (2006 -£43,177)

The accounts include the cost of improvements to freehold premises but not the original cost, since the land and buildings were given to the Company as an endowment many years ago. The freehold premises together with fixtures and fittings are valued at £2,155,912 for insurance purposes

# Notes to the accounts (continued)

## for the year ended 31 March 2007

**10 INVESTMENTS**

	2007	2006
	£	£
The movements on investments in the year were		
Market value brought forward (cost £59,510)	82,070	66,765
Additions to investments at cost	85,020	-
Disposals at carrying value	(85,685)	-
Unrealised gain on investments	3,281	15,305
Market value carried forward (cost £85,138)	<u>84,686</u>	<u>82,070</u>
At 31st March 2007 investments comprised	£	
Unlisted investment	83	
Conversion Stock	55	
Ethically branded unit trusts	<u>84,548</u>	
	<u>84,686</u>	

All investments were held in the UK. There were no material individual investment holdings in the year that require disclosure.

**11 DEBTORS**

	2007	2006
	£	£
Other debtors	105,431	99,492
Prepayments	<u>12,646</u>	<u>24,418</u>
	<u>118,077</u>	<u>123,910</u>

**12 CREDITORS FALLING DUE WITHIN ONE YEAR**

	2007	2006
	£	£
Creditors and accruals	123,571	85,230
Taxes and social security costs	29,902	31,205
Deferred income	<u>101,255</u>	<u>202,923</u>
	<u>254,728</u>	<u>319,358</u>

**13 UNRESTRICTED GENERAL FUNDS**

	Balance at 1st April 2006	Net movement excluding transfers	Transfers (to)/from other Funds	Balance at 31st March 2007
	£	£	£	£
General fund	143,663	(21,786)	6,740	128,617
Realised investment surplus	<u>21,377</u>	<u>2,809</u>	<u>-</u>	<u>24,186</u>
	<u>165,040</u>	<u>(18,977)</u>	<u>6,740</u>	<u>152,803</u>

# Notes to the accounts (continued)

## for the year ended 31 March 2007

**14 UNRESTRICTED DESIGNATED FUNDS**

	Balance at 1st April	Net outgoing resources	Transfer (to)/from other Funds	Balance at 31st March
	2006			2007
	£	£	£	£
Community Advice and Advocacy	130,790	-	(80,790)	50,000
Community Services	36,139	-	(7,870)	28,269
Community Development	-	-	(949)	(949)
	<u>166,929</u>	<u>-</u>	<u>(89,609)</u>	<u>77,320</u>
 Tangible Fixed Assets Fund	 264,560	 (30,846)	 79,653	 313,367
Future maintenance	12,734	-	-	12,734
Other Equipment	1,125	-	-	1,125
	<u>445,348</u>	<u>(30,846)</u>	<u>(9,956)</u>	<u>404,546</u>

The unrestricted designated funds allocated to the programmes above are earmarked for use by those programmes

**15 RESTRICTED FUNDS**

	Balance at 1st April	Net outgoing resources	Transfer (to)/from Unrestricted Designated Funds	Balance at 31st March
	2006			2007
	£	£	£	£
Community Advice and Advocacy	53,635	6,416	(5,603)	54,448
Community Services	83,328	(2,035)	7,870	89,163
Community Development	33,128	(22,082)	949	11,995
	<u>170,091</u>	<u>(17,701)</u>	<u>3,216</u>	<u>155,606</u>
 Centenary Appeal Fund	 20,430	 -	 -	 20,430
Law Centre Equipment	3,232	-	-	3,232
	<u>193,753</u>	<u>(17,701)</u>	<u>3,216</u>	<u>179,268</u>

The restricted funds comprise unexpended balances of donations and grants, including surpluses arising on activities within those programmes where the surplus is only available for use by the same activity

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted General Funds	Unrestricted Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	313,367	-	313,367
Investments	84,686	-	-	84,686
Current assets	322,845	91,179	179,268	593,292
Current liabilities	<u>(254,728)</u>	<u>-</u>	<u>-</u>	<u>(254,728)</u>
	<u>152,803</u>	<u>404,546</u>	<u>179,268</u>	<u>736,617</u>

**17 COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee. Each member pledges to contribute a maximum of £1 on winding up. At 31st March 2007, there were 43 members (2006 - 157 members)



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