

REGISTRAR'S COPY

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

A company limited by guarantee

FINANCIAL STATEMENTS

For the year ended 31 March 2007

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Company Registration No 1909828
Charity Registration No 291955

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007

The board of directors are pleased to submit their report and audited financial statements for the year ended 31 March 2007.

Reference and Administrative Information

Camden Citizens Advice Bureaux Service (CCABS) is a registered charity (number 291955) and is constituted as a company limited by guarantee (number 1909828). Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association. These financial statements comply with current statutory requirements, the organisation's own Memorandum and Articles of Association, the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) and the Financial Reporting Standard for Smaller Entities (effective January 2005).

Registered Office Unit 3
118-122 Grafton Road
Kentish Town
London
NW5 4BA

Directors

The directors of the company are its trustees for the purpose of charity law but throughout this report are collectively referred to as the directors.

The directors serving during the year and since the year end were as follows:

S Bobasch	(Appointed 28 November 2007)
B Brandreth	(Appointed 29 November 2006)
T Ezzat	
D Holmes	
M Hutton	
O Morrison-Lyons	
K Sands	
R Seth	(Appointed 29 November 2006, resigned 12 December 2007)
P Swingler	

Key executives and other professional advisers

The London Borough of Camden is entitled to nominate up to three representatives to hold non-directorship posts on the board of trustees. The representatives nominated in this capacity as observers were:

T Barnes
L Millward

The Chief Executive Officer is S Chadbourne

The Company Secretary is S Fletcher

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007 (continued)

Auditors	Moore Stephens LLP 57 London Road Enfield Middlesex EN2 6SW
Bankers	The Co-operative Bank plc 1 Islington High Street London N1 9TR
Investment Managers	CCLA Investment Management Ltd COIF Charity Funds 80 Cheapside London EC2V 6DZ

Structure, Governance and Management

Governance

Responsible governance of the organisation is exercised through the board of directors. The board is made up of independent lay members who are responsible for the conduct of CCABS and for ensuring that it satisfies all legal and contractual obligations.

The board is responsible for setting the strategic direction of the organisation and is ultimately accountable for how effectively the organisation meets the defined aims through direct charitable activity. The board employs a number of executive, administrative and operational staff to engage in activities related to governance as defined by SORP (2005) such as strategic planning and direct charitable activities such as advice services to service users. In addition the board facilitates the effective deployment of trained volunteers who also assist in both governance and direct charitable activities.

The board delegates certain staff and union negotiation matters to the Joint Staff Management Committee and certain health and safety matters to the Health and Safety Committee. Minutes of the two sub-committees are presented and reviewed at the full board of trustees' meeting. All committees aim to meet at least quarterly.

Trustee recruitment, induction and training

The board of trustees and the service endeavours to ensure that the board is broadly representative of appropriate local organisations, interest groups and interested local people. Candidates are interviewed by the Chair or the Chief Executive Officer and proposed nominees are recommended to the board and appointed by election.

All new directors are taken through a period of induction to help them understand their role and we have a benchmarking system in place to assess current directors.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007 (continued)

Organisational Management

Executive and operational management

The board employs a chief executive who is responsible for putting into effect the strategies and objectives of the board as expressed in the organisation's business and development plan (BDP)

The chief executive works closely with the senior management of the organisation as well as relevant external stakeholders to ensure effective implementation of the BDP

Risk management

The directors through the chief executive monitor the major risks that the company faces on an on-going basis during the year. The board annually reviews the level of particular risks and the impact they would have on the organisation if they were realised. This review helps to identify the measures the organisation needs to take to eliminate the risks as much as possible, or in the event that they do occur either wholly or partially, of minimising any impact they may have. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Employment policy

It is the company's policy that there should be no unfair discrimination in considering applications for employment, including those from disabled persons. Should any employee become disabled every practicable effort is made to provide continued employment.

An extensive range of communication and consultative arrangements are in place to help ensure that employees are kept fully informed about developments within the organisation.

Related parties

The company operates with related parties, other charities and organisations on a variety of levels. This involves dealing with local charities and organisations in which the directors may have an involvement. Where one of the directors holds the position of trustee/director of another charity there will be involvement in the discussions but not in the ultimate decision making.

Objects, Aims and Principal Activities

Strategic aim and intended effect

The twin aims of CCABS are -

- to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them or through an inability to express their needs effectively
- to exercise a responsible influence on the development of social policies and services both locally and nationally

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007 (continued)

Principal charitable activities

The principal charitable activity of CCABS in seeking to meet the above twin aims is the provision of independent, confidential and free advice and information services to people who live, work and conduct business in the London Borough of Camden and the surrounding area. This is currently realised through three bureaux based in Holborn, Kentish Town and Kilburn. These in turn are complemented by a number of interrelated services including an HIV service, a Housebound service, a specialist Welfare Benefits Unit, a variety of debt services and a number of outreach services hosted in community centres and GP surgeries.

Review of achievements, performance and financial results

CCABS is a member of the National Association of Citizens Advice Bureaux which, via its Membership Scheme, provides the framework that oversees all direct charitable activities that are delivered to service users in line with defined quality standards applicable to all CAB services for advice and casework management as well as for reviewing the organisation's performance in meeting these standards. CCABS was audited for compliance against these standards by the National Association of Citizens Advice Bureaux during the year and passed the audit.

CCABS saw 27,853 client contacts with 32,178 enquiries in 2006/2007 (2005/06 33,934 client contacts with 38,720 enquiries). The reduction in contacts and in enquiries can be attributed to several factors -

- An increase in the number of clients presenting with issues of greater depth and complexity due to legal changes, e.g. tax credits, which inevitably take longer to deal with
- A re-structure of our Holborn bureau to a predominantly volunteer resourced service which involved its closure for a month
- A major change to the way we collect our statistics by the introduction of an electronic case recording system (CASE)

During the year ended 31 March 2007, the company made a deficit of £72,355 (2005/06 a deficit of £32,970). The deficit for the year has been transferred to reserves and total reserves before the pension scheme liability referred to in note 4 was £163,437.

The main generalist service made a deficit of £24,766 for the year. The various specialist services within the organisation, which are classified under restricted funds, made a deficit of £47,589 for the year.

One-off expenditure of £20k was incurred on the Holborn re-structure. A deficit was incurred on our Outreach project of £5k which was covered by unrestricted funds. Other restricted funds services incurred deficits in the year as reserves were used to maintain service levels.

The Holborn bureau space and related amenities are provided to CCABS at no financial cost. The CCABS also receives benefit from the services of unpaid volunteers, which includes advisers, solicitors and barristers, who donate free advice time to CCABS clients and from the lay members of the board of trustees, none of whom receive any remuneration for their services.

In line with one of its key objectives, that of developing a larger volunteer establishment for the organisation as a whole, a major re-structuring of the Holborn bureau was carried out in the final quarter of the year. It is now a predominantly volunteer delivered generalist advice service and has been able to increase its opening hours as a result.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007 (continued)

Plans for future periods

The business and development plan (BDP) was updated at a board meeting on the 28th September 2006 following discussions with bureaux, projects, internal groups and external stakeholders. The BDP covering the three years from 2006 to 2009 provided that in addition to maintaining the existing level of services, it confirmed the three main priority areas for development and review, these are -

- 1 To develop a much larger and more viable volunteer establishment for the organization
- 2 To review the operational and performance management of service delivery to users
- 3 To review the effectiveness of the governance of the organisation

During the year the London Borough of Camden, who have historically provided CCABS with its core funding via grant-aid funding, announced a move to a competitive tendering process for the funding of all voluntary organisations. This means that the organisation's entire funding base is now contractual.

The London Borough of Camden bidding process was completed in June 2007. CCABS was awarded two tenders for the delivery of generalist advice in Camden (£858,000 p a) and a specific debt contract (£125,000). These contracts will reduce by 2.5% p a through the date of completion of the contract in March 2011.

Reserves policy

Following a review the board agreed a new reserves policy on the 16th May 2007 which states -

"CCABS aims to generate a surplus on turnover annually in order to grow our unrestricted reserves so that within five years we hold a minimum of four months total costs. This is to ensure that in the event of unexpected financial crisis our services can be managed down more effectively so as to minimise disruption to service users and to enable us to meet our employment obligations to staff."

The balance sheet for the year (in line with FRSSE 2005 for defined benefit schemes) reflects the long term liability on CCABS final salary pension scheme. The liability (valued by actuaries on behalf of Camden Council) has reduced in the year by £237k. The actuaries carry out triennial valuations and recommend changes to contributions where appropriate which are administered over the subsequent three years. Also, following a review of the LGPS, a tiered employee contribution rate will be introduced from 1 April 2008 which will increase members' contributions from 6% to at least 6.5%.

Investment powers

Investment powers are governed by the Memorandum and Articles of Association. There are no restrictions on the company's absolute powers of investment to the extent that any retained funds that arise are dealt with by depositing surpluses into the COIF Charities Deposit Fund.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report for the year ended 31 March 2007 (continued)

Statement as to Disclosure of Information to Auditors

Each of the persons who are directors at the time when this report is approved confirms that

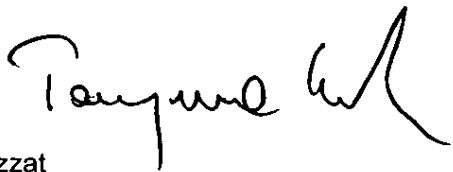
(a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) to the best of their knowledge and belief, each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and of the company's auditors for that purpose, in order to make themselves aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

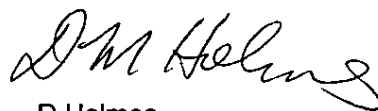
A resolution to re-appoint Moore Stephens LLP as the company's auditor will be put forward to the forthcoming Annual General Meeting

The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies



T Ezzat
Chair

12 December 2007



D Holmes
Director

12 December 2007

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Responsibilities in respect of the preparation of the financial statements

Accounting and reporting responsibilities

The directors are required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its results for the period

In preparing the financial statements, applicable accounting standards have been followed, suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made. The directors have reviewed the company's budget for the year to 31 March 2008 taking into account available reserves at 31 March 2007. On the basis of this review the directors are satisfied that the company is a going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors are responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorised use and that transactions are properly authorised and recorded. The concept of reasonable assurance recognises that the cost of a control procedure should not exceed the expected benefits.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Independent Auditors' Report to the Guarantors of Camden Citizens Advice Bureaux Service

We have audited the financial statements of Camden Citizens Advice Bureaux Service for the year ended 31st March 2007 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 and the requirements of the Financial Reporting Standards for Smaller Entities (Effective January 2005).

This report is made solely to the company's guarantors 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 company's guarantors those matters we are required to state to them in an auditor's 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 company and the company's guarantors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors 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 directors' responsibilities.

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 also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition, we 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 transactions with the company is not disclosed.

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

Basis of 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 directors in the preparation of the financial statements, 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 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.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Independent Auditors' Report to the Guarantors of Camden Citizens Advice Bureaux Service

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, of the state of the company's affairs as at 31 March 2007 and of its incoming resources and application of resources, 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 directors' report is consistent with the financial statements

Moore Stephens LLP

57 Enfield Road
Enfield
Middlesex
EN2 6SW

Moore Stephens LLP
Registered Auditor
Chartered Accountants

29 January 2008

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Statement of financial activities for the year ended 31 March 2007 (incorporating an income and expenditure account)

		Unrestricted funds	Restricted funds	Total funds 2007	Total funds 2006 (restated)
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income		-	-	-	731
Investment income		29,395	3,152	32,547	17,620
Incoming resources from charitable activities					
Local authority grants / contracts		995,439	170,036	1,165,475	1,247,531
Health authority contracts		-	164,382	164,382	109,054
Government bodies		-	178,740	178,740	265,972
LA/HA jointly commissioned contracts		-	117,040	117,040	116,002
Legal services commission		-	210,414	210,414	108,817
Charitable trusts		-	70,510	70,510	46,075
Awards for all		-	5,000	5,000	-
Other incoming resources		150	-	150	203
Total incoming resources	1	1,024,984	919,274	1,944,258	1,912,005
Resources expended	2				
Costs of generating funds		-	-	-	-
Charitable activities					
Costs of activities in furtherance to charity's objects		(984,412)	(870,532)	(1,854,944)	(1,785,267)
Governance costs		(65,338)	(96,331)	(161,669)	(159,708)
Total resources expended		(1,049,750)	(966,863)	(2,016,613)	(1,944,975)
Net incoming/(outgoing) resources before other recognised gains and losses	1	(24,766)	(47,589)	(72,355)	(32,970)
Actuarial gain/(loss) on defined benefit scheme		247,000	-	247,000	(92,000)
Net movement in funds		222,234	(47,589)	174,645	(124,970)

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Statement of financial activities for the year ended 31 March 2007 (continued) (incorporating an income and expenditure account)

Reconciliation of funds

	Note	Unrestricted funds	Restricted funds	Total funds 2007	Total funds 2006 (restated)
Funds brought forward at 1 April 2006 as previously stated		69,290	156,502	225,792	266,762
Prior year adjustment	14	(1,083,000)	-	(1,083,000)	(999,000)
Adjusted funds brought forward at 1 April 2006		(1,013,710)	156,502	(857,208)	(732,238)
Net movement in funds		222,234	(47,589)	174,645	(124,970)
Funds carried forward at 31 March 2007		(791,476)	108,913	(682,563)	(857,208)

The notes on pages 13 to 21 form part of these financial statements

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Balance Sheet as at 31 March 2007

		2007	2006 (restated)
		£	£
Current assets	Note		
Debtors	5	120,272	102,613
Cash at bank and in hand	6	492,303	368,961
		<u>612,575</u>	<u>471,574</u>
Creditors amounts falling due within one year	7	(449,138)	(245,782)
Total assets less current liabilities (excluding pension scheme liability)	8	<u>163,437</u>	<u>225,792</u>
Defined benefit pension scheme liability	4	(846,000)	(1,083,000)
Net liabilities including pension liability		<u>(682,563)</u>	<u>(857,208)</u>
 Funds			
Restricted funds	9	108,913	156,502
Unrestricted funds			
General funds excluding pension liability		54,524	69,290
Pension reserve	4	(846,000)	(1,083,000)
Total unrestricted funds		<u>(791,476)</u>	<u>(1,013,710)</u>
Total funds		<u>(682,563)</u>	<u>(857,208)</u>

The notes on pages 13 to 21 form part of these financial statements

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (Effective January 2005)

These financial statements were approved by the board of trustees on 12 December 2007

T Ezzat
Chair

D Holmes
Director

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007

1 Accounting policies

a. Accounting convention

The financial statements are prepared under the historical cost convention

b. Basis for preparation

The accounts have been prepared in accordance with the Companies Act 1985, the Charities Act 1993, the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005). In order to comply with FRSSE 2005 certain comparative figures have been restated so as to be consistent with the current year

c. Fixed Assets

Fixed assets are written off in the year in which commitment for expenditure is made

d. Amenities

The space and certain amenities at Holborn bureau are provided free of charge by Camden Council. These have not been included in the financial statements

e. Fund accounting

The nature and purpose of each fund is explained in note 12 to the financial statements

f. Incoming resources

All sources of income are recognised in the year in which they are receivable in accordance with applicable accounting standards. The income arises wholly in the United Kingdom. Income received for services to be provided in future periods is carried forward as deferred income

g. Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT that cannot be recovered

They are recognised when there is a legal or constructive obligation to pay for expenditure. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff or resources used on those activities

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

h. Incoming resources from charitable activities

The company generates its main source of income from grants awarded from the London Borough of Camden

i. Investment income

This is interest received from the COIF Charity Deposit Fund and bank deposits. It also includes the net return on assets within the pension fund.

j. Defined pension scheme

The charity operates a defined pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered scheme.

The charity has now adopted the amended requirements of FRSSE 2005 for defined benefit schemes. Current or past service costs and gains, as determined by the scheme's actuary, are charged to the statement of financial activities. Pension finance costs or income are included within total resources expended or incoming resources as applicable. Actuarial gains and losses arising are recognised within 'gains and losses' on the statement of financial activities.

In addition, the deficit on the scheme, representing the shortfall of the value of the scheme assets below the present value of the scheme liabilities, is now recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.

This has required a change in accounting policy with material effect and therefore a prior period adjustment has been made, and prior year figures have been restated where applicable. Additional information on the scheme is included in note 4.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

2 Total resources expended	Unrestricted funds	Restricted funds	Total funds 2007	Total funds 2006 (restated)
	£	£	£	£

Costs of generating funds

These comprise of any costs associated with generating incoming resources from all sources other than from undertaking charitable activities. These were nil for the year.

Charitable activities

These comprise costs incurred by the company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Staff costs	830,714	678,173	1,508,887	1,467,426
Running and office costs	94,806	125,603	220,409	189,015
Rent	58,892	66,756	125,648	128,826
	<u>984,412</u>	<u>870,532</u>	<u>1,854,944</u>	<u>1,785,267</u>

Governance costs

These comprise costs associated with meeting the constitutional and statutory requirements of the company and include the audit fees and costs linked to strategic management of the company.

Staff costs	51,599	81,235	132,834	126,645
Running and office costs	2,092	12,666	14,758	19,093
Rent	5,975	-	5,975	9,355
Audit fees	5,672	2,430	8,102	4,615
	<u>65,338</u>	<u>96,331</u>	<u>161,669</u>	<u>159,708</u>

Analysis of total resources expended	Advice Services	Governance costs	Total 2007	Total 2006
	£	£	£	£
Staff costs	1,508,887	132,834	1,641,721	1,594,071
Running and office costs	220,409	14,758	235,167	208,108
Rent	125,648	5,975	131,623	138,181
Audit fees	-	8,102	8,102	4,615
	<u>1,854,944</u>	<u>161,669</u>	<u>2,016,613</u>	<u>1,944,975</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

3 Staff costs and employee information

	2007	2006 (restated)
	£	£
Staff costs		
Wages and salaries	1,346,456	1,339,278
Social security costs	106,828	105,850
Pension costs / current service costs (Note 4)	188,437	148,943
Total staff costs	<u>1,641,721</u>	<u>1,594,071</u>

No employee earned £60,000 pa or more during the year (2006 nil) No director received any remuneration during the year

	Number (whole time equivalents)	Number (whole time equivalents)
The average number of employees, analysed by function, was		
Advice services	47	44
Governance costs	3	3
	<u>50</u>	<u>47</u>

4 Pension costs

The company contributes towards a defined benefit pension scheme. The assets of the scheme are held separately from those of the company. The scheme is run by Camden Council. Details of the scheme can be found in the accounts of that organisation.

The employer's contribution to the defined benefit scheme is 16.5% of gross salary. This contribution is determined by a qualified actuary on the basis of a triennial valuation using the projected unit method.

The most recent triennial valuation was at 31 March 2004 and as a result of this valuation the employer's contribution was increased to 16.5% from 1 April 2005. This increase has been made on the advice of the scheme advisers to account for an under-funding to the scheme. The increase in contribution will apply until 31 March 2008 when the results of the next triennial valuation will be available and contribution rates will be adjusted as appropriate.

The valuation showed the funding levels had reduced since the previous valuation and that funding levels are 73% of scheme liabilities. Based on this assessment the scheme recommended an increase in the required employer contribution rate, as above. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives with the company. The scheme is part of a multi-employer scheme. The assumptions implicit in the group valuation were as follows:

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

4 Pension costs (continued)

Investment Returns	4.7% - 6.7%
Rate of increase in salaries	4.4%
Rate of increase in pensions payments	2.9%
Rate of inflation	2.9%

The figures set out below are the result of the valuation, specific to the company, at 31 March 2007 for the purpose of FRSSE 2005 by a qualified independent actuary

Assumptions	2007	2006
	%	%
Rate of increase in salaries	4.7	4.6
Rate of increase in pensions payments	3.2	3.1
Discount rate	5.4	4.9
Rate of inflation	3.2	3.1

The assets in the scheme and the expected rate of return were

	Long-term rate of return expected at 31 March 07 %	Value at 31 March 07 £,000	Long-term rate of return expected at 31 March 06 %	Value at 31 March 06 £,000
Equities	7.8	3,137	7.4	2,754
Bonds	4.9	518	4.6	717
Property	5.8	385	5.5	107
Cash	4.9	99	4.6	223
		<u>4,139</u>		<u>3,801</u>
Estimated asset share		4,139		3,801
Present value of the scheme liabilities		(4,948)		(4,846)
Present value of unfunded liabilities		(37)		(38)
(Deficit) in the scheme		<u>(846)</u>		<u>(1,083)</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

4 Pension costs (continued)

Movement in the (deficit) during the year	2007 £,000	2006 £,000
(Deficit) in the scheme at the beginning of the year	(1,083)	(999)
Movement in the year		
Current service costs	(190)	(151)
Contributions	163	164
Contributions in respect of unfunded benefits	3	3
Other financial income	14	(8)
Actuarial gain/(loss)	247	(92)
(Deficit) in the scheme at the end of the year	<u>(846)</u>	<u>(1,083)</u>

History of experience gains and losses	Year to 31 3 07 £,000	Year to 31 3 06 £,000	Year to 31 3 05 £,000	Year to 31 3 04 £,000	Year to 31 3 03 £,000
Difference between the expected and actual return on assets	(42)	479	123	311	(633)
Value of assets	4,139	3,801	2,979	2,465	1,931
Percentage of assets	(1 0%)	12 6%	4 1%	12 6%	(32 8%)
Experience gains / (losses) on liabilities	(1)	(2)	364	(44)	24
Total present value of liabilities	4,985	4,884	3,978	3,863	3,326
Percentage of the total present value of liabilities	(0 0%)	(0 0%)	9 1%	(1 1%)	0 7%
Actuarial gains / losses recognised	247	(92)	417	44	(717)
Total present value of liabilities	4,985	4,884	3,978	3,863	3,326
Percentage of the total present value of liabilities	5 0%	(1 9%)	10 5%	1 1%	(21 6%)

Analysis of amount charged to statement of financial activities	2007 £,000	2006 £,000
Service cost	190	151
Past service costs	-	-
Curtailment and settlements	-	-
Decrease in irrecoverable surplus	-	-
Total operating charge	<u>190</u>	<u>151</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

4 Pension costs (continued)

Amount credited to other finance income or charged to operating costs

	2007 £,000	2006 £,000
Expected return on employer assets	257	210
Interest on pension scheme liabilities	(243)	(218)
Total operating charge	<u>14</u>	<u>(8)</u>

Analysis of amount recognised as other gains and losses within the statement of financial activities

	2007 £,000	2006 £,000
Actual return less expected return on pension scheme assets	(42)	479
Experience gains and losses arising on the scheme liabilities	(1)	(2)
Changes in financial assumptions underlying the present value of scheme liabilities	290	(569)
Actuarial gain / (loss) in pension plan	<u>247</u>	<u>(92)</u>
Increase / (decrease) in irrecoverable surplus from membership fall and other factors	-	-
Actuarial gain / (loss) recognised	<u>247</u>	<u>(92)</u>

Included in other creditors is £19,252 (2006 £18,918) representing contributions payable to the defined benefit scheme

5 Debtors

	2007 £	2006 £
Trade debtors	70,521	55,555
Other debtors	<u>49,751</u>	<u>47,058</u>
	<u>120,272</u>	<u>102,613</u>

6 Cash at bank and in hand

Included within cash at bank is £4,700 (2006 £6,895) which represents client monies

7 Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	28,092	30,423
Other creditors	<u>421,046</u>	<u>215,359</u>
	<u>449,138</u>	<u>245,782</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

8 Analysis of net current assets between funds

	2007	2006
	£	£
Restricted funds		
HIV service	69,889	103,058
Housebound service	8,971	13,472
Welfare benefits unit	19,182	24,685
Kilburn outreach project	-	13,329
Debt outreach project	8,462	-
Kentish Town healthy living centre	2,244	1,958
St Pancras hospital outreach	165	-
	<u>108,913</u>	<u>156,502</u>
Unrestricted funds	<u>54,524</u>	<u>69,290</u>
	<u>163,437</u>	<u>225,792</u>

9 Movement of funds

	Balance 1 April 06	Movement in resources		Balance 31 March 07
	£	Incoming £	Outgoing £	£
Restricted funds				
HIV service	103,058	274,992	(308,161)	69,889
Housebound service	13,472	111,507	(116,008)	8,971
Welfare benefits unit	24,685	108,742	(114,245)	19,182
Kilburn outreach project	13,329	74,000	(87,329)	-
Debt outreach project	-	101,672	(93,210)	8,462
FIF debt project	-	125,617	(125,617)	-
South Kilburn outreach	-	53,123	(53,123)	-
Kentish Town HLC	1,958	37,711	(37,425)	2,244
Kings Cross HFP	-	12,500	(12,500)	-
St Pancras hospital	-	6,611	(6,446)	165
Castlehaven Comm Ctr	-	2,759	(2,759)	-
Volunteer unit	-	10,040	(10,040)	-
	<u>156,502</u>	<u>919,274</u>	<u>(966,863)</u>	<u>108,913</u>

10 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total Funds £
Debtors	31,008	89,264	120,272
Cash at bank	371,009	121,294	492,303
Current liabilities	(347,493)	(101,645)	(449,138)
Total net assets	<u>54,524</u>	<u>108,913</u>	<u>163,437</u>
Pension liability	(846,000)	-	(846,000)
	<u>(791,476)</u>	<u>108,913</u>	<u>(682,563)</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements for the year ended 31 March 2007 (continued)

11 Financial commitments

Obligations under leases

At 31st March 2007 the company had annual commitments under non-cancellable operating leases as follows

	2007 £	2006 £
Property operating leases which expire		
within 1 year	- p a	- p a
between 2 – 5 years	93,175 p a	93,175 p a
over 5 years	42,500 p a	42,500 p a

12 Funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects

Restricted funds are funds which have been given for particular purposes and projects

13 Related parties

The company operates with related parties, other charities and organisations on a variety of levels. This involves dealing with local charities and organisations in which the directors may have an involvement. Where one of the directors holds the position of trustee/director of another charity there will be involvement in the discussions but not in the ultimate decision making.

The company pays a premium for professional indemnity insurance for its trustees which is included within the total insurance premium payable each year. It is not separately identifiable.

14 Prior year adjustment

Full implementation of the requirements of FRSSE 2005 for defined benefit schemes has required the deficit on the pension scheme to be recognised as a liability on the balance sheet of the charity. Previously contributions paid were recognised as an expense and the costs and revaluations of the scheme and resultant surplus / liability disclosed by way of note.