

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

A company limited by guarantee

Financial Statements
For the year ended 31 March 2004



Registered Number : 1909828
Registered charity number : 291955

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Directors' Report

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The board of directors are pleased to submit their report and audited financial statements for the year ended 31 March 2004.

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:

I Bouda	
J Cooke	
P Cosin	(Appointed 4.6.03)
L. Duggan	(Resigned 23.7.03)
T Ezzat	
S Haire	(Resigned 7.7.04)
C Haynes	(Appointed 4.6.03)
D Holmes	(Appointed 4.6.03)
O Morrison-Lyons	
A Salam	(Resigned 3.3.04)
K Sands	
P Swinger	
D Yach	

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 company secretary and proposed nominees are recommended to the board and appointed by election.

Other members of the board and advisers

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

D Horan
S Malin

Their appointment is by nomination of the board.

Company Secretary

Sian Fletcher

Registered Office

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

Bankers

The Co-operative Bank plc
1 Islington High Street
London
N1 9TR

Auditors

Moore Stephens
57 London Road
Enfield
Middlesex
EN2 6SW

Investment Managers

CCLA Investment Management Ltd
COIF Charity Funds
80 Cheapside
London
EC2V 6DZ

Status and administration

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. It is governed by a board of directors which is responsible for setting the strategic direction of the organisation and for establishing policy. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2000).

Objects, principal activities & organisation structure

The company's objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association.

The principal activity of the CCABS is to provide an independent, confidential and free advice service to all the residents of the Borough of Camden ensuring that individuals do not suffer through a lack of knowledge or an inability to express their needs effectively. The CCABS also aims to exercise a responsible influence on the development of social policies and services.

The service operates three bureaux which are open to the public in Holborn, Kentish Town and Kilburn and a number of specialist services including an HIV service, a Housebound service, a Welfare Benefits unit, an Independent Complaints Advocacy Service (ICAS) for North Central London Strategic Health Area and various outreach services at community centres and GP surgeries.

The directors are independent lay members. The directors carry the ultimate responsibility for the conduct of the CCABS and for ensuring that the charity satisfies its legal and contractual obligations. The directors delegate 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 meet at least quarterly.

The Management Team Group is responsible for the management of the service and meets once a month.

The CCABS operates under the umbrella of Citizens Advice (CitA) which provides the framework for standards of advice and casework management as well as monitoring progress against these standards. The CCABS co-operates and liaises with a number of other advisory services, local charities and social services departments on behalf of clients. The CCABS is also a participant in the Community Legal Services Partnership.

Review of activities and future developments

The CCABS saw 32,696 client contacts with 32,134 enquiries in 2003/2004 (2002/03 34,744 client contacts with 36,035 enquiries). The slight reduction in client contacts and enquiries during the year was due to a minor change in the mix of the methods the service delivers advice. During 2003/04 the CCABS increased the amount of face to face client contact and reduced the level of telephone based advice which brought down overall numbers as face to face client contact is more intensive than advice delivered using the phone.

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.

Review of financial results

During the year ended 31 March 2004, the company made a surplus of £73,046 (2002/03 a deficit of £8,844). The surplus for the year has been transferred to reserves.

The main generalist CCABS made a deficit of £2,610 for the year. The various specialist services within the organisation, which are classified under restricted funds, made a surplus of £75,656 for the year.

Reserves policy

CCABS reserves policy aims to maintain unrestricted reserves for the generalist service at between 5% and 10% of turnover. This is regarded as a suitable level of reserves to safeguard against contingencies.

The reserves maintained for the specialist services are considerably greater than the for the generalist service as there is less long term certainty with the specialist unit contracts and the board believe a higher level of reserves are required to safeguard against contingencies.

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.

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.

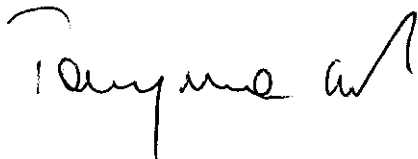
Risk Management

The directors examine the major risks that the company faces each financial year when preparing and updating the strategic plan. The company has developed systems to monitor and control these risks to mitigate any impact that they may have in the future.

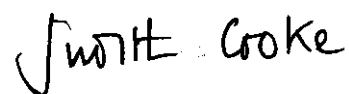
Auditors

A resolution will be proposed at the AGM that Moore Stephens be re-appointed as auditors of the company for the ensuing year.

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
8 September 2004



J Cooke
Director
8 September 2004

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 trustees have reviewed the company's budget for the year to 31 March 2005 taking into account available reserves at 31 March 2004. 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.

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

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We have audited the financial statements for the year ended 31st March 2004 set out on pages 9 to 17. These financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (Effective June 2002), under the historical cost convention and the accounting policies set out on page 11.

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

As described in the Directors' report the Directors and Trustees for the purpose of charity law are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the 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 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 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 (continued)**

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Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 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.

57 Enfield Road
Enfield
Middlesex
EN2 6SW

Moore Stephens

Moore Stephens
Registered Auditor
Chartered Accountants

12 NOV 2004

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Statement of financial activities for the year ended 31 March 2004

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	Unrestricted Funds	Restricted Funds	Total Funds 2004	Total funds 2003
Note	£	£	£	£
Incoming Resources				
Donations, legacies and similar resources	-	-	-	26
Operating Activities:				
Activities in furtherance of charity's objects				
Local authority contracts	919,983	105,960	1,025,943	972,744
Health authority contracts	-	140,871	140,871	113,418
Government Bodies	10,249	107,279	117,528	3,840
LA/HA jointly commissioned contracts	-	349,961	349,961	367,813
Legal Services Commission	-	114,169	114,169	109,859
Charitable Trusts	10,200	23,060	33,260	32,886
Investment Income	6,986	2,050	9,036	8,781
Other incoming resources	76	100	176	1,392
Total Incoming Resources	<u>947,494</u>	<u>843,450</u>	<u>1,790,944</u>	<u>1,610,759</u>
Resources Expended	2			
Costs of generating funds	(5,359)	(11,260)	(16,619)	(15,915)
Charitable expenditure				
Costs of activities in furtherance to charity's objects	(807,443)	(711,130)	(1,518,573)	(1,430,623)
Management and administration	(137,302)	(45,404)	(182,706)	(173,065)
Total Resources Expended	<u>(950,104)</u>	<u>(767,794)</u>	<u>(1,717,898)</u>	<u>(1,619,603)</u>
Net movement in funds	<u>(2,610)</u>	<u>75,656</u>	<u>73,046</u>	<u>(8,844)</u>
Balances brought forward at 1 April 2003	61,572	104,087	165,659	174,503
Balances carried forward at 31 March 2004	<u>58,962</u>	<u>179,743</u>	<u>238,705</u>	<u>165,659</u>

A statement of total recognised gains and losses is not included in these accounts as there are no recognised gains and losses other than the surplus for the year.

The notes on pages 11 to 17 form part of these financial statements.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Balance sheet as at 31 March 2004

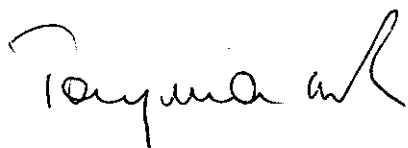
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		2004	2003
		£	£
Current assets	Note		
Debtors	5	256,206	53,898
Cash at bank and in hand	6	402,752	461,162
		<u>658,958</u>	<u>515,060</u>
Creditors: Amounts falling due within one year	7	<u>(420,253)</u>	<u>(349,401)</u>
Net current assets	8	<u>238,705</u>	<u>165,659</u>
Funds			
Unrestricted Funds		58,962	61,572
Restricted Funds	9	179,743	104,087
		<u>238,705</u>	<u>165,659</u>

The notes on pages 11 to 17 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 June 2002).

These financial statements were approved by the board of trustees on 8 September 2004.



T Ezzat
Chair



J Cooke
Director

1 Accounting policies

a. Accounting convention

The financial statements are prepared under the historical cost convention.

b. Basis of preparation

The accounts have been prepared in accordance with the Companies Act 1985 and to comply with the Charities SORP (Statement of Recommended Practice Accounting by Charities).

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. The income arises wholly in the United Kingdom.

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.

h. Activities for generating funds

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.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2004

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2 Total Resources Expended

Costs of generating funds

These comprise of those costs directly attributable in negotiating and applying for grants.

	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total funds 2003 £
Fundraising and publicity				
Staff costs	3,324	10,515	13,839	12,918
Running and office costs	2,035	745	2,780	2,997
	<u>5,359</u>	<u>11,260</u>	<u>16,619</u>	<u>15,915</u>

Charitable expenditure

Costs of activities in furtherance to charity's objects

Provision of advice service

This represents the direct costs to deliver and support the projects

Staff costs	636,080	586,815	1,222,895	1,154,457
Running and office costs	115,779	73,093	188,872	188,171
Rent	55,584	51,222	106,806	87,995
	<u>807,443</u>	<u>711,130</u>	<u>1,518,573</u>	<u>1,430,623</u>

Management and administration

This represents costs incurred by finance, human resources, external audit scrutiny, organisational administration and compliance with constitutional and statutory requirements. The costs include all expenditure not directly related to charitable activities or fund-raising.

Staff costs	100,945	37,055	138,000	119,059
Running and office costs	16,711	6,539	23,250	18,716
Rent	13,624	-	13,624	24,902
Consultants	3,202	-	3,202	5,891
Audit fees	2,820	1,810	4,630	4,497
	<u>137,302</u>	<u>45,404</u>	<u>182,706</u>	<u>173,065</u>

	Costs of generating funds £	Advice Services £	Management & Administration £	Total 2003/04 £	Total 2002/03 £
Staff costs	13,839	1,222,895	138,000	1,374,734	1,286,434
Running and office costs	2,780	188,872	23,250	214,902	209,884
Rent	-	106,806	13,624	120,430	112,897
Consultants	-	-	3,202	3,202	5,891
Audit fees	-	-	4,630	4,630	4,497
	<u>16,619</u>	<u>1,518,573</u>	<u>182,706</u>	<u>1,717,898</u>	<u>1,619,603</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2004

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3 Staff costs and employee information	2004	2003
	£	£
Staff costs:		
Wages and salaries	1,172,092	1,091,785
Social security costs	88,127	79,207
Pension costs (Note 4)	114,515	115,442
Total staff costs	<u>1,374,734</u>	<u>1,286,434</u>

The number of employees whose emoluments exceeded £50,000 were:	2004	2003
£50,001 - £60,000	1	-

The number of employees to whom retirement benefits accrue were:	1	-
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No director received any remuneration during the year.

	2004	2003
	Number	Number
	(whole time	(whole time
	equivalents)	equivalents)
The average number of employees, analysed by function, was:		
Advice services	41	41
Fundraising and publicity	-	-
Management and administration of the charity	3	3
	<u>44</u>	<u>44</u>

The salary costs included within fundraising and publicity in Note 2 are allocated based on an estimate of management time spent on fundraising during the year. There is no single dedicated fundraising and publicity member of staff.

4 Other pension costs

The company contributes towards two pension schemes, a defined contribution scheme and a defined benefit scheme. The assets of each scheme are held separately from those of the company. The defined contribution scheme is run by the Pensions Trust and the defined benefit scheme by Camden Council. Details of the schemes can be found in the accounts of those organisations. There were no contributions to the defined contribution scheme this year.

The pension cost charge represents amounts payable to each scheme in the year and is analysed below:

	2004	2003
	£	£
Defined contribution	-	474
Defined benefit	114,515	114,968
	<u>114,515</u>	<u>115,442</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2004

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4 Other pension costs (continued)

Employer's contribution to the defined contribution scheme is 5% of gross salary.

Employer's contribution to the defined benefit scheme is 16.2% of gross salary. These contributions are 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 2001 and as a result of this valuation, the defined benefit contribution increased from 13.2% to 16.2% on 1 April 2002. 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 2005 when the results of the next triennial valuation will be available and contribution rates will be adjusted as appropriate. The valuation showed that funding levels had remained broadly unchanged since the previous valuation and that funding levels are 82% 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 and as such no separate valuation of scheme assets and liabilities were identified specific to the company. Assumptions implicit in the group valuation were as follows:

Investment Returns	5.25% to 6.75%
Rate of increase in salaries	4.3%
Rate of increase in pensions payments	2.8%
Rate of inflation	2.8%

The figures set out below are the result of the valuation, specific to the company, at 31 March 2004 for the purpose of FRS17 by a qualified independent actuary:

Assumptions:	31 March 04	31 March 03
Rate of increase in salaries	4.4%	4%
Rate of increase in pensions payments	2.9%	2.5%
Discount rate	5.5%	5.4%
Rate of inflation	2.9%	2.5%

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

	Long-term rate of return expected at 31 March 04 %	Value at 31 March 04 £'000	Long-term rate of return expected at 31 March 03 %	Value at 31 March 03 £'000
Equities	7.7	1,820	8	1,349
Bonds	5.1	414	4.8	397
Property	6.5	75	6	72
Cash	4	156	4	113
		<u>2,465</u>		<u>1,931</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2004

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4 Other pension costs (continued)

	31 March 04 £'000	31 March 03 £'000
Estimated asset share	2,465	1,931
Present value of the scheme liabilities	(3,825)	(3,326)
Present value of unfunded liabilities	(38)	-
(Deficit) in the scheme	<u>(1,398)</u>	<u>(1,395)</u>
Movement in the (Deficit) during the year	2004 £'000	2003 £'000
(Deficit) in the scheme at the beginning of the year	(1,395)	(662)
Movement in the year:		
Current service costs	(120)	(101)
Contributions	113	113
Contributions in respect of unfunded benefits	3	-
Other financial income	(43)	(28)
Actuarial gain/(loss)	44	(717)
(Deficit) in the scheme at the end of the year	<u>(1,398)</u>	<u>(1,395)</u>

Included in other creditors is £14,807 (2003: £13,262) representing contributions payable to the defined benefit scheme.

5 Debtors	2004 £	2003 £
Trade debtors	215,414	21,411
Other debtors	40,792	32,487
	<u>256,206</u>	<u>53,898</u>

6 Cash at bank

Included within cash at bank is £6,858 (2003: £6,199) which represents client monies.

7 Creditors: Amounts falling due within one year	2004 £	2003 £
Trade creditors	24,270	19,240
Other creditors	395,983	330,161
	<u>420,253</u>	<u>349,401</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2004

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8 Analysis of net current assets between funds	2004	2003
	£	£
Restricted Funds		
HIV Service	114,440	95,753
Housebound Service	7,667	6,449
Welfare Benefits Unit	21,069	1,885
Kilburn Outreach Project	6,346	-
ICAS	30,221	-
	<u>179,743</u>	<u>104,087</u>
Unrestricted Funds	<u>58,962</u>	<u>61,572</u>
	<u>238,705</u>	<u>165,659</u>

9 Movement of Funds

Restricted Funds	Balance 1 April 03	Movement in Resources		Balance 31 March 04
		Incoming	Outgoing	
HIV Service	95,753	367,971	(349,284)	114,440
Housebound Service	6,449	125,456	(124,238)	7,667
Welfare Benefits Unit	1,885	114,169	(94,985)	21,069
Kilburn Outreach Project	-	98,883	(92,537)	6,346
ICAS	-	104,085	(73,864)	30,221
GP Surgeries Outreach	-	32,886	(32,886)	-
	<u>104,087</u>	<u>843,450</u>	<u>(767,794)</u>	<u>179,743</u>

10 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
Debtors	23,904	232,302	256,206
Cash at bank	356,841	45,911	402,752
Current liabilities	<u>(321,783)</u>	<u>(98,470)</u>	<u>(420,253)</u>
Total net assets	<u>58,962</u>	<u>179,743</u>	<u>238,705</u>

11 Financial commitments

Obligations Under Leases

At 31st March 2004 the company had annual commitments under non-cancellable operating leases as follows:

	31 March 04	31 March 03
Property operating leases which expire:		
within one year	-	-
between 2 - 5 years	£93,175 pa	£48,175 pa
over 5 years	£27,250 pa	£72,250 pa

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.