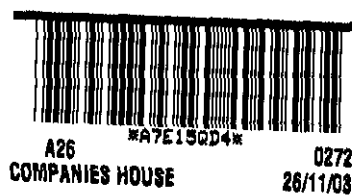


CAMDEN CITIZENS ADVICE BUREAUX SERVICE

A company limited by guarantee

Financial Statements
For the year ended 31 March 2003



Registered Number : 1909828
Registered charity number : 291955

Directors' Report

Page 1

The board of directors are pleased to submit their report and audited financial statements for the year ended 31 March 2003.

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	
J Hasan	(Resigned 11.12.02)
C Haynes	(Appointed 4.6.03)
D Holmes	(Appointed 4.6.03)
O Morrison-Lyons	
R Roberts	(Resigned 18.9.02)
A Salam	(Appointed 11.12.02)
K Sands	
P Swingler	
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 advisers and key staff

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

Jonathan Merrison

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
St Alphage House
2 Fore Street
London
EC2Y 5AQ

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 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 quarterly in addition to the AGM.

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 (CA) 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 an active participant in the Community Legal Services Partnership.

Review of activities and future developments

The CCABS saw 34,744 client contacts with 36,035 enquiries in 2002/2003 (2001/02 35,747 client contacts with 35,670 enquiries). The numbers of client contacts and enquiries have remained broadly stable.

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 2003, the company made a deficit of £8,844 (2001/02 a surplus of £8,811). The deficit for the year has been transferred to reserves.

The main generalist CCABS made a deficit of £22,537 for the year. The various specialist services within the organisation, which are classified under restricted funds, made a surplus of £13,693 for the year.

The factors affecting the deficit in the generalist service include the increase in salary costs not being met by a corresponding increase in the grant income. This situation has continued into the current financial year and has led to a reduction in the total staffing levels. The increase in other costs resulted from an increase in staff centrally to support the service and a provision for maintenance costs to the premises.

Reserves policy

CCABS reserves policy aims to maintain unrestricted reserves at between 5% and 10% of turnover. This is regarded as a suitable level of reserves 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.

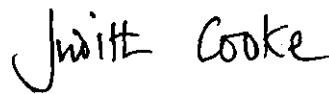
Auditors

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
17 September 2003



J Cooke
Director
17 September 2003

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 2004 taking into account available reserves at 31 March 2003. 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.

We have audited the financial statements for the year ended 31st March 2003 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.

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 2003 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
17 September 2003

Moore Stephens

Moore Stephens
Registered Auditor
Chartered Accountants

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Statement of financial activities for the year ended 31 March 2003

Page 9

	Unrestricted Funds	Restricted Funds	Total Funds 2003	Total funds 2002
Note	£	£	£	£
Incoming Resources				
Donations, legacies and similar resources	26	-	26	5,035
Operating Activities:				
Activities in furtherance of charity's objects				
Local authority contracts	914,089	58,655	972,744	949,125
Health authority contracts	-	113,418	113,418	136,829
Government Bodies	3,840	-	3,840	-
LA/HA jointly commissioned contracts	-	367,813	367,813	198,446
Legal Services Commission	-	109,859	109,859	110,270
Charitable Trusts	-	32,886	32,886	64,953
Investment Income	6,703	2,078	8,781	12,602
Other incoming resources	1,222	170	1,392	3,143
Total Incoming Resources	<u>925,880</u>	<u>684,879</u>	<u>1,610,759</u>	<u>1,480,403</u>
Resources Expended	2			
Costs of generating funds	(6,488)	(9,427)	(15,915)	(19,376)
Charitable expenditure				
Costs of activities in furtherance to charity's objects	(797,758)	(632,865)	(1,430,623)	(1,265,567)
Management and administration	(144,171)	(28,894)	(173,065)	(186,649)
Total Resources Expended	<u>(948,417)</u>	<u>(671,186)</u>	<u>(1,619,603)</u>	<u>(1,471,592)</u>
Net movement in funds	<u>(22,537)</u>	<u>13,693</u>	<u>(8,844)</u>	<u>8,811</u>
Balances brought forward at 1 April 2002	84,109	90,394	174,503	165,692
Balances carried forward at 31 March 2003	<u>61,572</u>	<u>104,087</u>	<u>165,659</u>	<u>174,503</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 2003

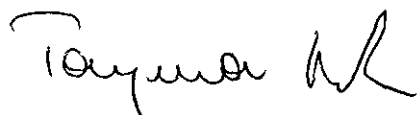
Page 10

		2003	2002
		£	£
Current assets	Note		
Debtors	5	53,898	101,204
Cash at bank and in hand	6	461,162	204,548
		<u>515,060</u>	<u>305,752</u>
Creditors: Amounts falling due within one year	7	<u>(349,401)</u>	<u>(131,249)</u>
Net current assets	8	<u>165,659</u>	<u>174,503</u>
Funds			
Unrestricted Funds		61,572	84,109
Restricted Funds	9	104,087	90,394
		<u>165,659</u>	<u>174,503</u>

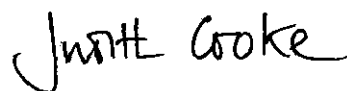
The notes on pages 11 to 17 form part of these financial statements.

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 17 September 2003.



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 2003

Page 12

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 2003 £	Total funds 2002 £
Fundraising and publicity				
Staff costs	4,489	8,429	12,918	13,973
Running and office costs	1,999	998	2,997	5,403
	<u>6,488</u>	<u>9,427</u>	<u>15,915</u>	<u>19,376</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	655,162	499,295	1,154,457	1,032,528
Running and office costs	94,040	94,131	188,171	164,030
Rent	48,556	39,439	87,995	69,009
	<u>797,758</u>	<u>632,865</u>	<u>1,430,623</u>	<u>1,265,567</u>

Management and administration

This represents costs incurred by finance, human resources, external audit scrutiny and sections attributable to the management of the company's assets, 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	97,624	21,435	119,059	105,028
Running and office costs	12,527	6,189	18,716	44,898
Rent	24,902	-	24,902	22,357
Consultants	5,891	-	5,891	11,273
Audit fees	3,227	1,270	4,497	3,093
	<u>144,171</u>	<u>28,894</u>	<u>173,065</u>	<u>186,649</u>

	Costs of generating funds £	Advice Services £	Management & Administration £	Total 2002/03 £	Total 2001/02 £
Staff costs	12,918	1,154,457	119,059	1,286,434	1,151,529
Running and office costs	2,997	188,171	18,716	209,884	214,331
Rent	-	87,995	24,902	112,897	91,366
Consultants	-	-	5,891	5,891	11,273
Audit fees	-	-	4,497	4,497	3,093
	<u>15,915</u>	<u>1,430,623</u>	<u>173,065</u>	<u>1,619,603</u>	<u>1,471,592</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2003

Page 13

3 Staff costs and employee information

	2003 £	2002 £
Staff costs:		
Wages and salaries	1,091,785	997,803
Social security costs	79,207	74,706
Pension costs (Note 4)	<u>115,442</u>	<u>79,020</u>
Total staff costs	<u>1,286,434</u>	<u>1,151,529</u>

No employee earned £50,000 pa or more during the year (2002: Nil). No director received any remuneration during the year.

	2003 Number (whole time equivalents)	2002 Number (whole time equivalents)
The average number of employees, analysed by function, was:		
Advice services	41	36
Fundraising and publicity	-	-
Management and administration of the charity	<u>3</u>	<u>3</u>
	<u>44</u>	<u>39</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.

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

	2003 £	2002 £
Defined contribution	474	949
Defined benefit	<u>114,968</u>	<u>75,271</u>
	<u>115,442</u>	<u>76,220</u>

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 2003 for the purpose of FRS17 by a qualified independent actuary:

Assumptions:

Rate of increase in salaries	4%
Rate of increase in pensions payments	2.5%
Discount rate	5.4%
Rate of inflation	2.5%

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

	Long-term rate of return expected at 31 March 03 %	Value at 31 March 03 £'000
Equities	8	1,349
Bonds	4.8	397
Property	6	72
Cash	4	113
Average rate of return	(21)	<u>1,931</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2003

Page 15

4 Other pension costs (continued)

	31 March 03 £'000
Estimated asset share	1,931
Present value of the scheme liabilities	(3,326)
(Deficit) in the scheme	<u>(1,395)</u>
Movement in the (Deficit) during the year	2003 £'000
(Deficit) in the scheme at the beginning of the year	(662)
Movement in the year:	
Current service costs	(101)
Contributions	113
Other financial income	(28)
Actuarial (loss)	(717)
(Deficit) in the scheme at the end of the year	<u>(1,395)</u>

Included in other creditors is £13,262 (2002: £10,701) representing contributions payable to both the schemes.

5 Debtors	2003 £	2002 £
Trade debtors	21,411	63,483
Other debtors	<u>32,487</u>	<u>37,721</u>
	<u>53,898</u>	<u>101,204</u>

6 Cash at bank

Included within cash at bank is £6,199 (2002: £6,619) which represents client monies.

7 Creditors: Amounts falling due within one year	2003 £	2002 £
Trade creditors	19,240	26,867
Other creditors	96,886	74,132
Deferred income	<u>233,275</u>	<u>30,250</u>
	<u>349,401</u>	<u>131,249</u>

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)
for the year ended 31 March 2003

Page 16

8 Analysis of net current assets between funds

	2003	2002
	£	£
Restricted Funds		
HIV Project	95,753	73,157
Housebound Project	6,449	843
Welfare Benefits Unit	1,885	10,486
Income Maximisation Project	-	5,908
Somers Town Medical Centre	-	-
Camden PCT - GP Surgeries	-	-
Camden PCT - Welfare Through Primary Care	-	-
NOF - Well & Wise	-	-
	<u>104,087</u>	<u>90,394</u>
Unrestricted Funds	<u>61,572</u>	<u>84,109</u>
	<u>165,659</u>	<u>174,503</u>

9 Movement of Funds

Restricted Funds	Balance 1 April 02	Movement in Resources		Balance 31 March 03
		Incoming	Outgoing	
HIV Project	73,157	385,851	(363,255)	95,753
Housebound Project	843	70,995	(65,389)	6,449
Welfare Benefits Unit	10,486	109,859	(118,460)	1,885
Income Maximisation Project	5,908	68,535	(74,443)	-
Somers Town Medical Centre	-	19,481	(19,481)	-
Camden PCT - GP Surgeries	-	13,312	(13,312)	-
Camden PCT - Welfare Through Primary Care	-	12,090	(12,090)	-
NOF - Well & Wise	-	4,756	(4,756)	-
	<u>90,394</u>	<u>684,879</u>	<u>(671,186)</u>	<u>104,087</u>

10 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
Debtors	23,558	30,340	53,898
Cash at bank	339,056	122,106	461,162
Current liabilities	<u>(301,042)</u>	<u>(48,359)</u>	<u>(349,401)</u>
Total net assets	<u>61,572</u>	<u>104,087</u>	<u>165,659</u>

11 Financial commitments

Obligations Under Leases

At 31st March 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Properties
Operating leases which expire:	
within one year	-
between 2 - 5 years	£48,175 pa
over 5 years	£62,250 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.