

# CAMDEN CITIZENS ADVICE BUREAUX SERVICE

A company limited by guarantee

Financial Statements  
For the year ended 31 March 2002



Registered Number : 1909828  
Registered charity number : 291955

**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<sup>st</sup> March 2002.

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	(Appointed 20.3.02)
J Cooke	
L Duggan	
T Ezzat	
R Good	(Resigned 20.3.02)
S Haire	(Appointed 20.3.02)
J Hasan	
A Horrocks	(Resigned 23.5.01)
O Morrison-Lyons	(Appointed 18.9.02)
R Roberts	(Resigned 18.9.02)
K Sands	
P Swinger	(Appointed 18.9.02)
D Yach	(Appointed 18.9.02)

The directors are appointed from the local community and must either reside or work in the London Borough of Camden. They 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	(Re-appointed 19.6.02)
S Malin	(Re-appointed 19.6.02)

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

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**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. Management and staff representatives have a right of attendance at directors' meetings. 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 the National Association of Citizen Advice Bureaux (NACAB) 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.

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## **Review of activities and future developments**

The CCABS saw 35,747 client contacts with 35,670 enquiries in 2001/2002 (2000/01 35,907 client contacts with 39,207 enquiries). The numbers of client contacts and enquiries have remained broadly stable. The small changes are due to a revision in the methods of calculation agreed with the funders.

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, principally 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 2002, the company made a surplus of £8,811 (2000/01 a surplus of £19,896). The surplus for the year has been transferred to reserves.

The main generalist CCABS made a deficit of £2,453 for the year. The various specialist services within the organisation, which are classified under restricted funds, made a surplus of £11,264 for the year.

The increase in management and administration costs is mainly due to the relocation of our head office and subsequent rent costs. Other costs resulted from the employment of agency staff and consultants owing to long term sickness. The company also employed a part-time Volunteer Coordinator for whom we have now secured additional funding.

## **Reserves policy**

CCABS is required by the local authority as a condition of grant aid to maintain unrestricted reserves at between 5% and 10% of turnover. This has now been adopted by the directors as the company's own policy as it 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.

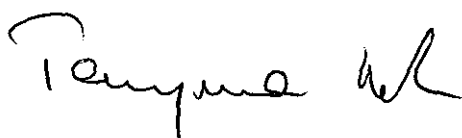
### Risk Management

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.

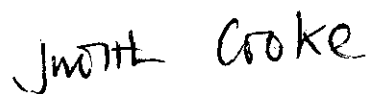
### Auditors

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  
11 December 2002



J Cooke  
Director  
11 December 2002

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**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 2003 taking into account available reserves at 31 March 2002. 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 31<sup>st</sup> March 2002 set out on pages 8 to 14. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 10.

**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 2002 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.

*Moore Stephens*

57 Enfield Road  
Enfield  
Middlesex  
EN2 6SW  
11 December 2002

Moore Stephens  
Registered Auditor  
Chartered Accountants



## CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Statement of financial activities for the year ended 31 March 2002

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	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2002</b>	<b>Total funds 2001</b>
<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>				
Donations, legacies and similar resources	5,035	-	5,035	38
Operating Activities:				
Activities in furtherance of charity's objects				
Local authority contracts	903,086	46,039	949,125	958,552
Health authority contracts	-	136,829	136,829	118,644
LA/HA Jointly commissioned contracts	-	198,446	198,446	-
Legal Services Commission	-	110,270	110,270	109,545
Charitable Trusts	-	64,953	64,953	69,841
Investment Income	10,474	2,128	12,602	16,523
Other incoming resources	3,003	140	3,143	3,890
<b>Total Incoming Resources</b>	<u>921,598</u>	<u>558,805</u>	<u>1,480,403</u>	<u>1,277,033</u>
<b>Resources Expended</b>	<b>2</b>			
Costs of generating funds	(10,093)	(9,283)	(19,376)	(17,940)
Charitable expenditure				
Costs of activities in furtherance to charity's objects	(758,532)	(507,035)	(1,265,567)	(1,127,787)
Management and administration	(155,426)	(31,223)	(186,649)	(111,410)
<b>Total Resources Expended</b>	<u>(924,051)</u>	<u>(547,541)</u>	<u>(1,471,592)</u>	<u>(1,257,137)</u>
<b>Net movement in funds</b>	<u>(2,453)</u>	<u>11,264</u>	<u>8,811</u>	<u>19,896</u>
Balances brought forward at 1 April 2001	86,562	79,130	165,692	145,796
<b>Balances carried forward at 31 March 2002</b>	<u>84,109</u>	<u>90,394</u>	<u>174,503</u>	<u>165,692</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 10 to 14 form part of these financial statements.

CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Balance sheet as at 31 March 2002

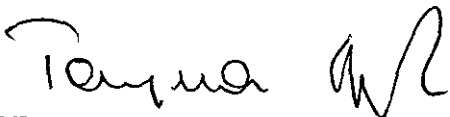
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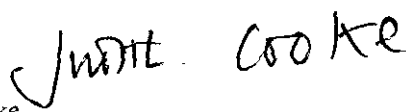
		2002	2001
		£	£
<b>Current assets</b>	<b>Note</b>		
Debtors	5	101,204	61,256
Cash at bank and in hand	6	204,548	210,052
		<u>305,752</u>	<u>271,308</u>
<b>Liabilities: Amounts falling due within one year</b>	7	<u>(131,249)</u>	<u>(105,616)</u>
<b>Net current assets</b>	8	<u>174,503</u>	<u>165,692</u>
<b>Funds</b>			
Unrestricted Funds		84,109	86,562
Restricted Funds	9	90,394	79,130
		<u>174,503</u>	<u>165,692</u>

The notes on pages 10 to 14 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 March 2000).

These financial statements were approved by the board of trustees on 11 December 2002.

  
T Ezzat  
Chair

  
J Cooke  
Director

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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 2002

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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 2002 £	Total funds 2001 £
Fundraising and publicity				
Staff costs	6,359	7,614	13,973	14,019
Running and office costs	3,734	1,669	5,403	3,921
	<u>10,093</u>	<u>9,283</u>	<u>19,376</u>	<u>17,940</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	635,506	397,022	1,032,528	945,649
Running and office costs	72,823	91,207	164,030	120,638
Rent	50,203	18,806	69,009	61,500
	<u>758,532</u>	<u>507,035</u>	<u>1,265,567</u>	<u>1,127,787</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	80,931	24,097	105,028	89,104
Running and office costs	38,712	6,186	44,898	19,382
Rent	22,357	-	22,357	-
Consultants	11,273	-	11,273	-
Audit fees	2,153	940	3,093	2,924
	<u>155,426</u>	<u>31,223</u>	<u>186,649</u>	<u>111,410</u>

	Costs of generating funds £	Advice Services £	Management & Administration £	Total 2001/02 £	Total 2000/01 £
Staff costs	13,973	1,032,528	105,028	1,151,529	1,048,772
Running and office costs	5,403	164,030	44,898	214,331	143,941
Rent	-	69,009	22,357	91,366	61,500
Consultants	-	-	11,273	11,273	-
Audit fees	-	-	3,093	3,093	2,924
	<u>19,376</u>	<u>1,265,567</u>	<u>186,649</u>	<u>1,471,592</u>	<u>1,257,137</u>

# CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)  
for the year ended 31 March 2002

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## 3 Staff costs and employee information

	2002 £	2001 £
Staff costs:		
Wages and salaries	997,803	903,887
Social security costs	74,706	72,146
Pension costs (Note 4)	<u>79,020</u>	<u>72,739</u>
Total staff costs	<u>1,151,529</u>	<u>1,048,772</u>

No employee earned £50,000 pa or more during the year (2001: Nil). No director received any remuneration during the year.

	2002 Number (whole time equivalents)	2001 Number (whole time equivalents)
The average number of employees, analysed by function, was:		
Advice services	36	34
Fundraising and publicity	-	-
Management and administration of the charity	<u>3</u>	<u>2</u>
	<u>39</u>	<u>36</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 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 these schemes and is analysed below:

	2002 £	2001 £
Defined contribution	949	917
Defined benefits	<u>75,271</u>	<u>71,822</u>
	<u>76,220</u>	<u>72,739</u>

Employers contributions to the defined contribution scheme is 5% and to the defined benefit scheme 13.2% of gross salary. The defined benefit scheme contribution increased to 16.2% from 14.02.

Included in other creditors is £10,701 (2001: £8,964) representing contributions payable to the schemes.

# CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)  
for the year ended 31 March 2002

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5 Debtors	2002 £	2001 £
Trade debtors	63,483	28,922
Other debtors	<u>37,721</u>	<u>32,334</u>
	<u>101,204</u>	<u>61,256</u>

## 6 Cash at bank

Included within cash at bank is £6,619 (2001: £6,265) which represents client monies.

7 Creditors: Amounts falling due within one year	2002 £	2001 £
Trade creditors	26,867	26,620
Other creditors	<u>104,382</u>	<u>78,996</u>
	<u>131,249</u>	<u>105,616</u>

8 Analysis of net current assets between funds	2002 £	2001 £
Restricted Funds		
HIV Project	73,157	54,610
Housebound Project	843	1,551
Welfare Benefits Unit	10,486	13,540
Income Maximisation Project	<u>5,908</u>	<u>9,429</u>
	<u>90,394</u>	<u>79,130</u>
Unrestricted Funds	<u>84,109</u>	<u>86,562</u>
	<u>174,503</u>	<u>165,692</u>

## 9 Movement of Funds

Restricted Funds	Balance 1 April 01	Movement in Resources		Balance 31 March 02
		Incoming	Outgoing	
HIV Project	54,610	260,137	(241,590)	73,157
Housebound Project	1,551	67,093	(67,801)	843
Welfare Benefits Unit	13,540	110,271	(113,325)	10,486
Income Maximisation Project	9,429	74,473	(77,994)	5,908
C & I H A - Somers Town Medical Centre	-	34,247	(34,247)	-
C & I H A - GP Surgeries	-	12,584	(12,584)	-
	<u>79,130</u>	<u>558,805</u>	<u>(547,541)</u>	<u>90,394</u>

# CAMDEN CITIZENS ADVICE BUREAUX SERVICE

Notes to the financial statements (continued)  
for the year ended 31 March 2002

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10 Analysis of net assets between funds	Unrestricted Funds	Restricted Funds	Total Funds
Debtors	23,825	77,379	101,204
Cash at bank	129,077	75,471	204,548
Current liabilities	(68,793)	(62,456)	(131,249)
Total net assets	<u>84,109</u>	<u>90,394</u>	<u>174,503</u>

## 11 Financial commitments

### Obligations Under Leases

At 31st March 2002 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.