

BOURNEMOUTH CITIZENS ADVICE BUREAU
(a company limited by guarantee)

[Registered Charity No. 1074727]

Report and Financial Statements

Year ended 31 March 2004



BOURNEMOUTH CITIZENS ADVICE BUREAU
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS - 31 March 2004

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BOURNEMOUTH CITIZENS ADVICE BUREAU
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COMPANY INFORMATION

DIRECTORS

D. Eyre (appointed 20 April 2005)
P.R. Avis (appointed 20 April 2005)

COMPANY SECRETARY

A.J. Hunt

CHARITY TRUSTEES

D. Eyre
P.R. Avis
E.R. Gillett
J.E. Gay
A.J. Hunt

REGISTERED OFFICE

The West Wing
Town Hall
Bourne Avenue
Bournemouth
Dorset
BH2 6DX

BANKERS

Lloyds TSB Bank plc
45 Old Christchurch Road
Bournemouth
Dorset
BH1 1ED

AUDITORS

Mazars LLP
8 New Fields
2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

BOURNEMOUTH CITIZENS ADVICE BUREAU
(a company limited by guarantee)

REPORT OF THE TRUSTEES AND DIRECTORS
for the year ended 31 March 2004

Introduction

The trustees and the directors are pleased to present their report and the audited financial statements of the company for the year ended 31 March 2004, being the sixth year of operation by Bournemouth Citizens Advice Bureau as an incorporated body.

Constitution and Registration

The company was incorporated on 31 March 1998, following which it took over the net assets and operations of the former unincorporated charitable body known as the Citizens Advice Bureau, Bournemouth. The company is incorporated in England under Company No. 3537836, and is registered with the Charity Commissioners under Charity Registration No. 1074727. The constitution and principal objects of the company, and the regulations concerning its management, are embodied in the Memorandum and Articles of Association of the company as lodged with the Registrar of Companies. The company is limited by guarantee of its members and, as such, does not have a share capital. The members of the company are defined and determined by reference to its Articles of Association, these being principally those persons currently serving as members of the company's Trustee Board, either as elected or co-opted individuals or as representative members.

Principal Activities and Charitable Objects

The principal charitable object of the company is to establish and conduct a free, independent, confidential and impartial service of advice, information and counsel for the benefit of the community and general public within the Borough of Bournemouth. In furtherance of this object, the company's principal activity is the operation of an independent Citizens Advice Bureau in Bournemouth, within the overall membership framework as laid down by the National Association of Citizens Advice Bureaux.

Management of the Company and the Charity

A Trustee Board (formerly known as the Management Committee), as constituted in accordance with the provisions set out in the Articles of Association, is responsible for the overall governance of the company. The Trustee Board is responsible for appointing certain of its members to act in an individual capacity, as its representatives, either as directors of the company or as company secretary, in accordance with the requirements of the Companies Acts. As a registered charity, the company is also required by the Charity Commissioners to appoint named individuals to act in a formal capacity as trustees of the charity, with duties and responsibilities as set out in charity law and regulations.

Directors and Company Secretary

The current directors and secretary of the company are as set out on page 1. The directors who served throughout the year ended 31 March 2004 were Mr. E.R. Gillett and Mr. J.E. Gay. Both of these directors resigned from office on 20 April 2005, and Mr. D. Eyre and Mr. P.R. Avis were formally appointed as directors on the same date.

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REPORT OF THE TRUSTEES AND DIRECTORS (continued)
for the year ended 31 March 2004

Charity Trustees

The current trustees of the charity are as set out on page 1. All trustees are elected members of the company's Trustee Board.

Auditors

Mazars LLP succeeded to Mazars as the independent auditor to the charity during the year. In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Mazars LLP be reappointed as auditors of the charity will be put to the forthcoming Annual General Meeting.

Review of Developments and Activities

The Bureau continues to provide a valuable service to the citizens of Bournemouth in furtherance of its principal charitable objectives. Throughout the year ended 31 March 2004, in addition to the core advice service as principally funded by Bournemouth Borough Council, the Bureau continued to operate a number of specific advice projects, separately financed by other bodies under contract or grant arrangements. These projects included the various legal aid franchise contracts for the provision of welfare benefits, debt and employment advice, as funded by the Legal Services Commission, the GP Surgeries Advice Project funded by Bournemouth Primary Care Trust, and the provision of welfare benefits advice to non-legally aided clients as financed by a three-year grant from the Community Fund of the National Lottery Charities Board. In addition, the Bureau continued to operate two further specifically funded projects during 2003/04 namely, the Youth Project in North Bournemouth and the pilot project to deal with referrals from Care Direct.

Further specific funding was obtained to finance two other additional advice service projects which were commenced in 2003/04. These projects comprised the County Court Advice Service, as funded for two years by Lloyds TSB Foundation, and a specific advice service supported by funding from two local housing associations. For 2004/05, additional funding has also been obtained from Bournemouth Borough Council to commence a specific advice project linked to the Boscombe Neighbourhood Management Project. Despite determined efforts, it was not possible to obtain an extension of the initial three-year grant from the Community Fund in support of the Home Visiting Service and, consequently, this project had to be discontinued in June 2003. The pilot Care Direct Project was also discontinued at the end of 2003/04 following exhaustion of the related funding. Further details concerning the various advice service projects operated by the Bureau during the year under review, and the resources obtained and expended in connection therewith, are given in the Statement of Financial Activities on pages 9 and 10 of the attached financial statements.

Financial Review

The audited financial statements of the company for the year ended 31 March 2004 are set out on pages 9 to 21 attached. The results are presented on a functional basis which provides a clear picture of the funding resources available to finance the various operational activities undertaken by the Bureau, and the way in which such resources have been utilised during the year in furtherance of those respective activities.

BOURNEMOUTH CITIZENS ADVICE BUREAU
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REPORT OF THE TRUSTEES AND DIRECTORS (continued)
for the year ended 31 March 2004

Financial Review (continued)

The balance sheet at 31 March 2004 shows, in particular, a balance of unrestricted reserves on the General Fund of £45,282, compared to a corresponding figure of £42,960 as brought forward at 1 April 2003.

The present balance of unrestricted reserves, whilst sufficient in relation to foreseeable requirements in the short term, falls short of the longer term strategic objective set by the Trustee Board to build a balance of free reserves to a level which corresponds to approximately six months' expenditure on core activities. The opportunities for the Bureau to achieve this objective continue to be limited by the constraints inherent within the present funding arrangements, which largely focus on short-term needs and specific expenditure requirements rather than longer term strategic funding considerations. The Trustee Board has had to make commitments for essential capital expenditure in 2004/05 in relation to the Bureau's technology infrastructure as part of the overall Citizens Advice CASE Project (see note 10 to the financial statements), and this will further deplete the level of free reserves currently available. However, sufficient operational funding for 2004/05 has been secured with the various providers, including Bournemouth Borough Council, to enable the Bureau to maintain broadly similar levels of advice service activities to those achieved in 2003/04.

Reserves Policy

The balance carried forward on the General Fund represents unrestricted funds arising from past operating results which are available to finance future activities. Such funds also represent the free reserves of the charity, as all fixed assets are separately designated within the Capital Equipment Fund. The level of free reserves is vital to the ongoing stability of the company's financial position, and should be viewed in relative terms with the level of operating activities and the degree of financial commitment and risk inherent therein. The Trustee Board regularly monitors this issue as part of its overall risk management assessment. As stated above, the current level of free reserves remains fairly modest in relation to the overall activity level, and by comparison with indicative benchmarks in the UK charity sector. The longer term strategic target of the Trustee Board, notwithstanding the constraints inherent in the present funding arrangements, is to extend the balance of free reserves to a level which corresponds to approximately six months' expenditure on core activities. Additional resources of at least £50,000 would be required to meet the current target.

Investment Policy

The Trustee Board adopts a risk averse strategy in relation to the investment of surplus funds. All cash funds held by the Bureau in excess of immediate requirements to finance its charitable activities are invested in interest-bearing deposit accounts with either Lloyds TSB Bank plc or Portman Building Society. There are no other investments relevant to the Bureau's activities.

BOURNEMOUTH CITIZENS ADVICE BUREAU
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REPORT OF THE TRUSTEES AND DIRECTORS (continued)
for the year ended 31 March 2004

Risk Management

The Trustee Board actively reviews, on a regular basis, the major risks to which the charity is exposed, in particular those related to the operations and finances of the Bureau. The trustees and the directors are satisfied that systems have been established to enable regular reports to be produced so that the Trustee Board can monitor such risks and, where necessary, steps can be taken to mitigate exposure thereto.

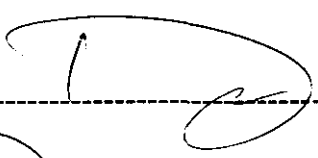
Volunteers


The Bureau's operations are supported to a significant extent by a team of unpaid volunteers, either acting as trained advisers or providing additional clerical and administrative support. Without the assistance of such volunteers, it would not be possible for the Bureau to provide the range of services currently made available to clients. The trustees and the directors once again wish to express their appreciation of the invaluable contribution made by the volunteers during the year under review.


Principal Address

The principal address of the Bureau is The West Wing, Town Hall, Bourne Avenue, Bournemouth, Dorset, BH2 6DX. This is also the registered office address of the company.

Approved by the trustees and the directors on 9 September 2005, and signed on their behalf by :


----- (Trustee and Director)


----- (Trustee and Director)


----- (Trustee and Company Secretary)

BOURNEMOUTH CITIZENS ADVICE BUREAU
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STATEMENT OF TRUSTEES' AND DIRECTORS' RESPONSIBILITIES
IN RELATION TO THE FINANCIAL STATEMENTS

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

- select suitable accounting policies and then apply them consistently ;
- make judgements and estimates that are reasonable and prudent ;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements ; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees and directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Bournemouth Citizens Advice Bureau

We have audited the financial statements for the year ended 31 March 2004 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees/directors and auditors

As described in the Statement of Trustees' and Directors' Responsibilities the trustees, who are also the directors of Bournemouth Citizens Advice Bureau for the purposes of company law/ the directors, who also act as trustees for the charitable activities of Bournemouth Citizens Advice Bureau are responsible for the preparation of 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 Auditing 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 Trustees' and 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 trustees' and directors' remuneration and transactions with the charity is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 judgements made by the trustees and directors in the preparation of the

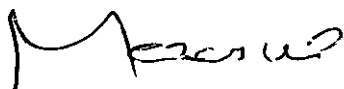
Independent auditors' report to the members of Bournemouth Citizens Advice Bureau (continued)

financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of state of the charitable 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.



Mazars LLP
Chartered Accountants
and Registered Auditors
8 New Fields, 2 Stinsford Road
Nuffield
Poole
Dorset
BH17 0NF

15 SEPTEMBER 2005

BOURNEMOUTH CITIZENS ADVICE BUREAU
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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2004

	General Fund (Unrestricted) £	Legal Aid Franchise Fund (Restricted) £	Home Visiting Fund (Restricted) £	Other Restricted Funds (Restricted) £	Capital Equipment Fund (Designated) £	TOTAL FUNDS 2004 £	TOTAL FUNDS 2003 £
INCOMING RESOURCES							
Donations, legacies and similar							
Sovereign Housing Association					650	650	0
Sundry donations	932					932	709
Funding of operating activities in furtherance of the charity's objects							
Funding of core advice service :							
Bournemouth Borough Council - direct grant	144,500					144,500	125,796
Bournemouth Borough Council - accommodation	36,400					36,400	41,613
NACAB - salary support grants						0	663
Funding of Legal Aid Franchise(s) :							
Legal Services Commission		109,060				109,060	118,816
Funding of Home Visiting Service :							
Community Fund			0			0	53,432
Funding of other projects :							
Bournemouth Primary Care Trust (GP's Advice Scheme)				18,539		18,539	15,920
Community Fund (Welfare Benefits Advice Project)				14,383		14,383	14,590
Gannett Foundation (Youth Project)				2,500		2,500	0
Western Challenge HA (HA Project)				764		764	0
Bournemouth Churches HA (HA Project)				764		764	0
Lloyds TSB Foundation (County Court Advice Service)				9,000		9,000	0
Bournemouth Council (Neighbourhood Management Project)				1,038		1,038	0
Tudor Trust (Youth Project)				0		0	5,000
Help & Care (Care Direct Project)				0		0	3,919
Investment income :							
Interest receivable	1,560					1,560	911
Other incoming resources :							
Miscellaneous income	100					100	0
TOTAL INCOMING RESOURCES	183,492	109,060	0	46,988	650	340,190	381,369
RESOURCES EXPENDED							
Costs of generating funds						0	0
Charitable expenditure :							
Costs of activities in furtherance of the charity's objects, including support costs							
Core advice service (General Fund)	166,509					166,509	155,357
Legal Aid Franchise(s)		111,332				111,332	121,571
Home Visiting Service	5,989		5,169			11,158	48,263
GP's Advice Scheme				18,539		18,539	15,920
Welfare Benefits Advice Project				14,383		14,383	13,755
Youth Project				5,113		5,113	3,835
Care Direct Project	3,032			0		3,032	4,213
County Court Advice Service				2,625		2,625	0
Housing Association Project				1,528		1,528	0
Depreciation of equipment					6,055	6,055	7,484
Management and administration							
Audit fees	4,700					4,700	2,200
TOTAL RESOURCES EXPENDED	180,230	111,332	5,169	42,188	6,055	344,974	372,598
NET INCOMING / OUTGOING RESOURCES BEFORE TRANSFERS	3,262	-2,272	-5,169	4,800	-5,405	-4,784	8,771
GROSS TRANSFERS BETWEEN FUNDS							
Financing of capital expenditure	-940	-866	0	0	1,806	0	0
NET MOVEMENT IN FUNDS FOR THE YEAR	2,322	-3,138	-5,169	4,800	-3,599	-4,784	8,771
Total funds at the beginning of the year	42,960	3,138	5,169	6,391	9,856	67,514	58,743
TOTAL FUNDS AT THE END OF THE YEAR	45,282	0	0	11,191	6,257	62,730	67,514

BOURNEMOUTH CITIZENS ADVICE BUREAU
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STATEMENT OF FINANCIAL ACTIVITIES (continued)
for the year ended 31 March 2004

	General Fund (Unrestricted)	Legal Aid Franchise Fund (Restricted)	Home Visiting Fund (Restricted)	Other Restricted Funds (Restricted)	Capital Equipment Fund (Designated)	TOTAL FUNDS 2004	TOTAL FUNDS 2003
	£	£	£		£	£	£
ANALYSIS OF CHARITABLE EXPENDITURE :							
Costs of activities in furtherance of the charity's objects, including support costs							
Salaries and national insurance	100,683	92,464	8,458	34,187		235,792	252,614
Employer pension contributions	7,920	3,890	922	564		13,296	15,514
Other staff costs (including redundancy costs)	428		1,309			1,737	987
Travelling expenses	5,203	813	199	909		7,124	8,661
Accommodation	36,400					36,400	41,613
Direct case costs - medical reports, etc.		410				410	1,349
Telephone and fax	4,384	721	215			5,320	6,171
Postage, stationery and advertising	11,219					11,219	9,879
Photocopier leasing and maintenance	3,042					3,042	3,702
Information and reference material	3,108	526				3,634	3,125
Training costs - external	276	964		140		1,380	3,209
Repairs and maintenance	4,828					4,828	6,198
Disabled employee access						0	0
Insurance	4,670					4,670	3,769
Miscellaneous expenses	3,177	60				3,237	3,111
Irrecoverable VAT input tax	2,075		55			2,130	3,012
Depreciation of equipment					6,055	6,055	7,484
Common overheads allocated to other activities	-20,904	11,484	0	9,420		0	0
Specific project expenses borne by General Fund	9,021		-5,989	-3,032		0	0
	175,530	111,332	5,169	42,188	6,055	340,274	370,398
Management and administration							
Audit fees	4,700					4,700	2,200
TOTAL CHARITABLE EXPENDITURE	180,230	111,332	5,169	42,188	6,055	344,974	372,598

Other restricted funds - breakdown of expenditure between projects

GP's Advice Scheme

Salaries and national insurance	12,323	
Travelling expenses	417	
Training costs - external	140	
Allocation of common overheads	5,659	18,539

Welfare Benefits Advice Project

Salaries and national insurance	12,540	
Travelling expenses	464	
Allocation of common overheads	1,379	14,383

Youth Project

Salaries and national insurance	3,241	
Travelling expenses	21	
Allocation of common overheads	1,851	5,113

Care Direct Project

Salaries and national insurance	2,772	
Employer pension contributions	253	
Travelling expenses	7	
Project expenses borne by General Fund	-3,032	0

County Court Advice Service

Salaries and national insurance	2,005	
Employer pension contributions	231	
Allocation of common overheads	389	2,625

Housing Association Project

Salaries and national insurance	1,306	
Employer pension contributions	80	
Allocation of common overheads	142	1,528

Total charitable expenditure - other restricted funds

42,188

BOURNEMOUTH CITIZENS ADVICE BUREAU
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SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2004

	Note	2004		2003	
		£	£	£	£
OPERATING INCOME					
Grants receivable		180,900		168,459	
Other direct operational funding		156,048		211,677	
Donations received		1,582		709	
Other incoming resources		100		-	
			338,630		380,845
OPERATING COSTS					
Staff costs	4	250,825		269,115	
Depreciation	6	6,055		7,484	
Other operating charges		88,094		96,386	
			(344,974)		(372,985)
OPERATING (DEFICIT) / SURPLUS	3		(6,344)		7,860
- continuing operations					
Interest receivable	5		1,560		911
(DEFICIT) / SURPLUS FOR THE FINANCIAL YEAR			(4,784)		8,771
Total funds at the beginning of the year			67,514		58,743
TOTAL FUNDS AT THE END OF THE YEAR			62,730		67,514

Further details regarding incoming resources and expenditure, and movements in funds during the year, are shown in the Statement of Financial Activities on pages 9 and 10 of these financial statements.

The summary income and expenditure account has been prepared on the basis that all operations are continuing operations.

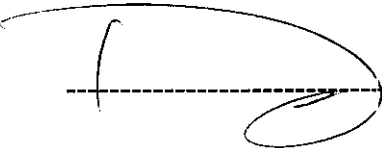

BOURNEMOUTH CITIZENS ADVICE BUREAU
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BALANCE SHEET
31 March 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible fixed assets	6	6,257	9,856
CURRENT ASSETS			
Debtors	7	4,050	3,775
Cash at bank and in hand	8	71,412	69,602
		75,462	73,377
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(18,989)	(15,719)
NET CURRENT ASSETS		56,473	57,658
TOTAL ASSETS LESS CURRENT LIABILITIES		62,730	67,514
TOTAL FUNDS	13 & 14		
Unrestricted funds :			
General Fund		45,282	42,960
Restricted funds :			
Legal Aid Franchise Fund		-	3,138
Home Visiting Service Fund		-	5,169
Youth Project Fund		3,778	6,391
County Court Advice Service Fund		6,375	-
Neighbourhood Management Project Fund		1,038	-
Designated funds :			
Capital Equipment Fund		6,257	9,856
		62,730	67,514

These financial statements were formally approved
by the Directors and Trustees on 9 September 2005

Signed on behalf of the Directors and Trustees :


 (Director and Trustee)
 
 (Director and Trustee)

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2004

1. BASIS OF PREPARATION

The financial statements are prepared in accordance with applicable accounting standards, and in line with the recommendations set out in the Statement of Recommended Practice, Accounting and Reporting by Charities, as issued by the Charity Commission. The particular accounting policies adopted by the directors and the trustees are described below.

2. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention. Except as indicated in the following paragraphs, the financial statements are prepared on an accruals basis, that is, income and expenditure is recognised as it becomes receivable or is incurred, not as it is received or paid.

Fund accounting

Unrestricted funds are incoming resources and donations receivable or generated in furtherance of the charitable objects of the company without further specified purpose.

Designated funds are unrestricted funds earmarked by the Trustee Board for particular purposes.

Restricted funds are incoming resources to be used for specific purposes as laid down by the donor. Such resources are allocated to separate funds against which relevant expenditure is charged.

Further information and explanation regarding the nature and purpose of each fund is included in note 13 to the financial statements.

Grants receivable

Grants receivable are recognised as income in the period to which they relate. Grants received in advance which relate to a subsequent period are treated as deferred income and are carried forward within creditors.

Other operational funding

Other operational funding is normally recognised as an incoming resource, and is credited to the relevant fund, in the period in which it is received.

Donations

Income from donations is recognised in the financial statements upon receipt. In respect of sundry donations placed into collecting boxes located within the Bureau's premises, such income is recognised when the collecting boxes are emptied. This takes place on a frequent basis, and any monies remaining within collecting boxes, and therefore unaccounted for, at any particular time are considered to be immaterial.

Interest receivable

Interest earned on surplus cash balances, as invested in bank or building society deposit accounts, is recognised in the financial statements when such interest is credited to the related accounts.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

2. ACCOUNTING POLICIES...continued

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure which is directly related to the provision of advice services, including related support costs, is included within charitable expenditure. Support costs represent expenditure incurred centrally in support of the advice services provided. Other expenditure is allocated as appropriate between management and administration and, where applicable, fundraising costs. Management and administration expenditure represents costs incurred in compliance with constitutional and statutory requirements.

Tangible fixed assets and depreciation

All material expenditure on the acquisition of tangible fixed assets is capitalised at cost. Depreciation is calculated to write off the cost of tangible fixed assets on a straight line basis over their estimated useful economic lives. The rates of depreciation used are as follows :-

Computer systems and equipment	-	25% per annum
Office furniture and other equipment	-	20% per annum

Taxation

The company is a registered charity, and is exempt from UK corporation tax under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

Value Added Tax

The company is registered for Value Added Tax (VAT) in relation to certain of its activities which are deemed to be standard-rated. A significant part of the company's activities remain exempt from VAT, and therefore a proportion of the total input tax suffered on expenditure is not recoverable. Such irrecoverable VAT input tax is written off in the financial statements under a separate heading.

Pension costs

The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to expenditure so as to spread the cost over the service lives of employees in the scheme, in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

Operating leases

Rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to expenditure on a straight line basis over the lease term.

Cash flow statement

The company has taken advantage of the exemption for small companies as contained in Financial Reporting Standard No.1 (Cash Flow Statements). Accordingly, a cash flow statement is not presented as part of these financial statements.

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

3. OPERATING (DEFICIT) / SURPLUS

The operating (deficit) / surplus is arrived at after charging :

	2004	2003
	£	£
Depreciation of tangible fixed assets - owned assets	6,055	7,484
Rentals under operating leases	2,065	1,963
Auditors' remuneration - audit services	4,700	2,200
Staff costs (see note 4)	250,825	269,115

4. INFORMATION REGARDING DIRECTORS, TRUSTEES AND EMPLOYEES

None of the directors or trustees received any emoluments or expenses from the company during the year.

Staff costs during the year were as follows :

	2004	2003
	£	£
Wages and salaries	219,544	237,231
Agency staff and other sundry staff costs	1,737	987
Social security costs	16,248	15,383
Pension costs	13,296	15,514
	250,825	269,115

The total emoluments, including pension contributions, of the highest paid employee amounted to :

	25,245	29,213
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The average number of persons employed during the year, excluding directors, was as follows :

	2004	2003
	No.	No.
Management staff - full-time	1	2
Management staff - part-time	2	1
Other Bureau staff - full-time	3	3
Other Bureau staff - part-time	10	10
	16	16

In addition to the staff employed, as above, the Bureau's operations are supported to a significant extent by a team of unpaid volunteer advisers who are trained to standards laid down by the National Association of Citizens Advice Bureaux. Additional clerical and administrative support is also provided by unpaid volunteers.

BOURNEMOUTH CITIZENS ADVICE BUREAU
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

5. INTEREST RECEIVABLE

	2004	2003
	£	£
Bank and building society deposit interest	1,560	911

6. TANGIBLE FIXED ASSETS

	Computer systems and equipment £	Office furniture and other office equipment £	TOTAL £
Cost			
At 1 April 2003	34,756	5,340	40,096
Additions	2,161	295	2,456
Disposals	(10,449)	-	(10,449)
At 31 March 2004	26,468	5,635	32,103
Depreciation			
At 1 April 2003	26,662	3,578	30,240
Charge for the year	5,307	748	6,055
Disposals	(10,449)	-	(10,449)
At 31 March 2004	21,520	4,326	25,846
Net book value			
At 31 March 2004	4,948	1,309	6,257
At 31 March 2003	8,094	1,762	9,856

All the tangible fixed assets recognised above are held for use by the company in undertaking its charitable activities.

7. DEBTORS

	2004	2003
	£	£
Prepayments and accrued income	4,050	3,775

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

8. CASH AT BANK AND IN HAND

	2004	2003
	£	£
Bank current account	3,103	12
Bank deposit account	56,890	58,602
Building society deposit account	11,195	10,919
Cash in hand	224	69
	<u>71,412</u>	<u>69,602</u>

9. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Taxation and social security	9,446	10,272
Other creditors	1,564	-
Accruals and deferred income	7,979	5,447
	<u>18,989</u>	<u>15,719</u>

10. CAPITAL COMMITMENTS

	2004	2003
	£	£
Authorised but not contracted for	17,000	-

Capital commitments at 31 March 2004 relate to expenditure authorised by the Trustee Board prior to that date in connection with new computer equipment to be contracted for and purchased during the year ended 31 March 2005 to upgrade the Bureau's existing technology infrastructure.

11. OPERATING LEASE COMMITMENTS

	2004	2003
	£	£
At 31 March 2004 the company was committed to making the following payments during the next year in respect of operating leases :		
Leases which expire within two to five years - office equipment	2,065	2,065

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

12. PENSION SCHEME

The company participates in and contributes to the Dorset County Pension Scheme in relation to certain of its employees. This local government pension scheme is a multi-employer defined benefit scheme, and the company, whilst having no direct constitutional link with Dorset County Council, has been permitted to participate in the scheme as an Admitted Body. The assets of the scheme are held in separate trustee administered funds.

The employer's contribution rate for Admitted Bodies is determined by the scheme with reference to the advice of the scheme's actuary, and the applicable rate from time to time is notified to the company. The employer's contribution rate is set so as to spread the cost of providing pensions over the average service lives of employees in the scheme.

Although the Dorset County Pension Scheme is a defined benefit scheme, in view of the size of the scheme and the extent of its membership, it is not practicable to separately identify the assets and liabilities relating specifically to the company's employees. Consequently, from the perspective of the company as an individual employer, the scheme is effectively treated for accounting purposes as a defined contribution scheme. Pension costs are therefore recognised in the financial statements based on the contributions payable to the scheme. The total pension cost for the company in respect of the year ended 31 March 2004 was £13,296 (2003 - £15,514). Contributions amounting to £1,051 were outstanding at 31 March 2004 (2003 - £Nil). The last full actuarial valuation of the Dorset County Pension Scheme, completed in March 2002, revealed an overall deficit in the scheme, resulting in a requirement for increased employer contributions for 2003/04 at a rate of 12.30% compared to the rate of 10.80% payable throughout the year ended 31 March 2003, with further increases in contributions scheduled for subsequent years.

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

13. TOTAL FUNDS

	Balance at 1 April 2003 £	Movements in the year (Net) £	Transfers between funds £	Balance at 31 March 2004 £
Unrestricted funds				
General Fund	42,960	3,262	(940)	45,282
Restricted funds				
Legal Aid Franchise Fund	3,138	(2,272)	(866)	-
Home Visiting Service Fund	5,169	(5,169)	-	-
GP's Advice Scheme Fund	-	-	-	-
Welfare Benefits Advice Project Fund	-	-	-	-
Youth Project Fund	6,391	(2,613)	-	3,778
Care Direct Project Fund	-	-	-	-
County Court Advice Service Fund	-	6,375	-	6,375
Housing Association Project Fund	-	-	-	-
Neighbourhood Management Project Fund	-	1,038	-	1,038
Designated funds				
Capital Equipment Fund	9,856	(5,405)	1,806	6,257
	<u>67,514</u>	<u>(4,784)</u>	<u>-</u>	<u>62,730</u>

The General Fund reflects the incoming resources and expenditure in relation to the general operation of the Bureau including, in particular, the core CAB advice service provided to the citizens of Bournemouth. No specific restrictions are placed on the funds within the General Fund, except that they are to be generally applied in furtherance of the broad objectives of the charity.

The Legal Aid Franchise Fund covers funding provided under contract by the Legal Services Commission, the application of which is restricted to financing the related legal aid franchise work.

The Home Visiting Service Fund and the Welfare Benefits Advice Fund cover funds provided by the Community Fund (the operating name of the National Lottery Charities Board), the application of which is restricted to financing the specific project in question. The Home Visiting Service was discontinued in June 2003, and certain closure costs were necessarily borne by the General Fund.

The GP's Advice Scheme Fund covers funds provided under contract by Bournemouth Primary Care Trust, the application of which is restricted to financing the operation of that particular scheme.

The Youth Project Fund covers funds provided by Lloyds TSB Foundation, the Tudor Trust and the Gannett Foundation, the application of which is restricted to financing the operation of that particular project.

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

13. TOTAL FUNDS...continued

The Care Direct Project Fund covers funds previously provided by the charity, Help & Care, the application of which was restricted to financing the specific project in question. The specific funding for this project was fully exhausted by March 2003 and, although the project activity was continued into 2003/04 prior to cessation, the remaining expenditure was financed via the General Fund.

The County Court Advice Service Fund covers funds provided by Lloyds TSB Foundation, the application of which is restricted to financing the operation of that particular activity.

The Housing Association Project Fund covers funds provided by Western Challenge Housing Association and Bournemouth Churches Housing Association, the application of which is restricted to financing the project in question.

The Neighbourhood Management Project Fund covers "Community Win" funds provided by Bournemouth Borough Council, the application of which is restricted to financing activity in relation to the Boscombe Neighbourhood Management Project, commenced in April 2004.

The Capital Equipment Fund reflects the financing of capital equipment used in relation to the Bureau's operations. Depreciation of such equipment is charged against this designated fund.

14. NET ASSETS APPLICABLE TO SPECIFIC FUNDS

The following table gives a breakdown of the net assets, as shown in the balance sheet at 31 March 2004, between the General Fund and other specific funds operated by the Bureau :

Fund	Tangible fixed assets £	Bank and cash balances £	Other current assets £	Current liabilities £	TOTAL £
General Fund	-	60,084	3,975	(18,777)	45,282
Legal Aid Franchise Fund	-	178	-	(178)	-
Home Visiting Service Fund	-	-	-	-	-
GP's Advice Scheme Fund	-	(41)	75	(34)	-
Welfare Benefits Advice Fund	-	-	-	-	-
Youth Project Fund	-	3,778	-	-	3,778
Care Direct Project Fund	-	-	-	-	-
County Court Advice Service Fund	-	6,375	-	-	6,375
Housing Association Project Fund	-	-	-	-	-
Neighbourhood Management Project Fund	-	1,038	-	-	1,038
Capital Equipment Fund	6,257	-	-	-	6,257
	<u>6,257</u>	<u>71,412</u>	<u>4,050</u>	<u>(18,989)</u>	<u>62,730</u>

BOURNEMOUTH CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2004

15. LIMITED LIABILITY OF MEMBERS

The company is limited by guarantee of its members and, as such, does not have a share capital. The liability of each member of the company is limited to a contribution of £1 to the assets of the company in the event of a winding-up. As the company's membership is principally comprised of those persons serving as members of the Trustee Board, the aggregate amount of such potential contributions would be relatively insignificant.

16. CONTROLLING PARTY

The company is effectively controlled by the Trustee Board, including the directors and the charity trustees, acting in accordance with the Memorandum and Articles of Association.

17. COPIES OF THE FINANCIAL STATEMENTS

Further copies of these financial statements may be obtained by written request to the company secretary at the address shown on page 5.