

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
(a company limited by guarantee)

[Registered Charity No. 1074727]

**Report and Financial Statements**

**Year ended 31 March 2005**



**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
**(a company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS - 31 March 2005**

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**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
**(a company limited by guarantee)**

**COMPANY INFORMATION**

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**DIRECTORS**

J.N. Fletcher - Chairman (appointed 20/10/2005)  
D. Eyre (appointed 20/04/2005)  
P.R. Avis (appointed 20/04/2005)  
A.J. Hunt (appointed 20/10/2005)

N.A. Haswell (appointed 20/10/2005)  
K.R. Johnson (appointed 20/10/2005)  
M.J. Moore (appointed 20/10/2005)

**COMPANY SECRETARY**

A.J. Hunt

**CHARITY TRUSTEES**

J.N. Fletcher  
D. Eyre  
P.R. Avis  
E.R. Gillett

A.J. Hunt  
N.A. Haswell  
K.R. Johnson  
M.J. Moore

**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 2005**

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**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 2005, being the seventh 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 ("Citizens Advice").

**Management of the Company and the Charity**

A Trustee Board, 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 2005 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. A further five directors were formally appointed to the Board on 20 October 2005, as indicated on page 1.

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**REPORT OF THE TRUSTEES AND DIRECTORS (continued)**  
**for the year ended 31 March 2005**

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**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**

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 2005, 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 three further specifically funded projects during 2004/05, these being the County Court Advice Service as funded by Lloyds TSB Foundation, a specific advice service supported by funding from two local housing associations, and the Youth Project in North Bournemouth as principally financed during 2004/05 by funding from the Gannett Foundation. Further restricted funding was also obtained from Bournemouth Borough Council in respect of 2004/05 to operate a specific advice project linked to the Boscombe Neighbourhood Management Project.

The three-year grant from the Community Fund, related to the provision of welfare benefits advice to non-legally aided clients, ceased at the end of March 2005 and, as a consequence, this specific advice project could not be continued into 2005/06. Similarly, no new funding could be obtained to support a continuance of the Youth Project in 2005/06, resulting in its cessation from June 2005 onwards. Bournemouth Borough Council continues to provide the principal funding support for the Bureau's core advice service and, with the exception of the two projects referred to above, lines of funding were maintained to enable all other specific projects operated in 2004/05 to be continued for a further twelve months up to 31 March 2006.

**Financial Review**

The audited financial statements of the company for the year ended 31 March 2005 are set out on pages 9 to 21 attached. The results are again presented on a functional basis which provides a clear picture of the funding resources available to finance the various operational activities undertaken

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**REPORT OF THE TRUSTEES AND DIRECTORS (continued)**  
**for the year ended 31 March 2005**

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**Financial Review (continued)**

by the Bureau, and the way in which such resources have been utilised during the year in furtherance of those respective activities.

The balance sheet at 31 March 2005 shows a balance of unrestricted reserves on the General Fund of £10,182, compared to a corresponding figure of £45,282 as brought forward at the beginning of the year under review. This reflects, in particular, the significant capital investment necessarily made during the year (see note 6 to the financial statements) to upgrade the Bureau's IT infrastructure to enable full implementation of the Citizens Advice CASE system in line with membership requirements. Although vital to the operational capability of the Bureau, and in many respects unavoidable, this expenditure has inevitably resulted in a further and significant depletion of the Bureau's free reserves. The present balance of unrestricted reserves now provides only a small buffer to counter any adverse variances which may arise against current operational budgets, and falls well short of the longer term strategic objective set by the Trustee Board (see Reserves Policy below). The opportunities for the Bureau to achieve this objective continue to be limited by the constraints inherent within the present funding arrangements, which principally focus on short-term needs and specific expenditure requirements rather than longer term strategic funding considerations.

**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 referred to above, the current level of free reserves remains fairly low 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 £65,000 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 2005

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**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.

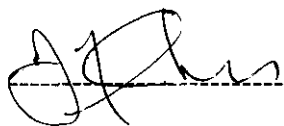
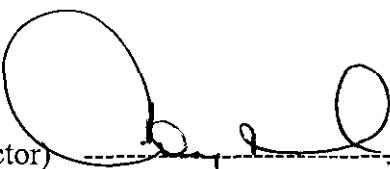
**Volunteers**

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 12 May 2006, and signed on their behalf by :

 (Trustee and Director)  (Trustee and Director)

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
**(a company limited by guarantee)**

**STATEMENT OF TRUSTEES' AND DIRECTORS' RESPONSIBILITIES  
IN RELATION TO THE FINANCIAL STATEMENTS**

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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 2005 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

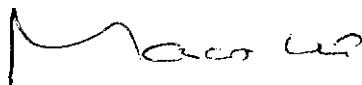
## **Independent auditors' report to the members of Bournemouth Citizens Advice Bureau (continued)**

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 2005 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 May 2006

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 March 2005**

	General Fund (Unrestricted) £	Legal Aid Franchise Fund (Restricted) £	Other Restricted Funds (Restricted) £	Capital Equipment Fund (Designated) £	TOTAL FUNDS 2005 £	TOTAL FUNDS 2004 £
<b>INCOMING RESOURCES</b>						
<b>Donations, legacies and similar</b>						
Sundry donations	242				242	932
Sovereign Housing Association					0	650
<b>Funding of operating activities in furtherance of the charity's objects</b>						
Funding of core advice service :						
Bournemouth Borough Council - direct grant	144,113				144,113	144,500
Bournemouth Borough Council - accommodation	38,439				38,439	36,400
Funding of Legal Aid Franchise(s) :						
Legal Services Commission		109,306			109,306	109,060
Funding of other projects :						
Bournemouth Primary Care Trust (GP's Advice Scheme)			16,689		16,689	18,539
Community Fund (Welfare Benefits Advice Project)			14,809		14,809	14,383
Gannett Foundation (Youth Project)			0		0	2,500
Western Challenge HA (HA Project)			680		680	764
Bournemouth Churches HA (HA Project)			1,412		1,412	764
Lloyds TSB Foundation (County Court Advice Service)			0		0	9,000
Bournemouth Council (Neighbourhood Management Project)			4,038		4,038	1,038
<b>Investment income :</b>						
Interest receivable	1,962				1,962	1,560
<b>Other incoming resources :</b>						
Miscellaneous income	0				0	100
<b>TOTAL INCOMING RESOURCES</b>	<b>184,756</b>	<b>109,306</b>	<b>37,628</b>	<b>0</b>	<b>331,690</b>	<b>340,190</b>
<b>RESOURCES EXPENDED</b>						
<b>Costs of generating funds</b>					0	0
<b>Charitable expenditure :</b>						
<b>Costs of activities in furtherance of the charity's objects, including support costs</b>						
Core advice service (General Fund)	193,568				193,568	166,509
Legal Aid Franchise(s)		97,018			97,018	111,332
Home Visiting Service					0	11,158
GP's Advice Scheme			16,689		16,689	18,539
Welfare Benefits Advice Project			14,809		14,809	14,383
Youth Project			3,778		3,778	5,113
Care Direct Project			0		0	3,032
County Court Advice Service			4,500		4,500	2,625
Housing Association Project	274		2,092		2,366	1,528
Neighbourhood Management Project			2,076		2,076	0
Depreciation of equipment				5,700	5,700	6,055
<b>Management and administration</b>						
Audit fees	2,700				2,700	4,700
<b>TOTAL RESOURCES EXPENDED</b>	<b>196,542</b>	<b>97,018</b>	<b>43,944</b>	<b>5,700</b>	<b>343,204</b>	<b>344,974</b>
<b>NET INCOMING / OUTGOING RESOURCES BEFORE TRANSFERS</b>	<b>-11,786</b>	<b>12,288</b>	<b>-6,316</b>	<b>-5,700</b>	<b>-11,514</b>	<b>-4,784</b>
<b>GROSS TRANSFERS BETWEEN FUNDS</b>						
Financing of capital expenditure	-23,314	0	0	23,314	0	0
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>-35,100</b>	<b>12,288</b>	<b>-6,316</b>	<b>17,614</b>	<b>-11,514</b>	<b>-4,784</b>
Total funds at the beginning of the year	45,282	0	11,191	6,257	62,730	67,514
<b>TOTAL FUNDS AT THE END OF THE YEAR</b>	<b>10,182</b>	<b>12,288</b>	<b>4,875</b>	<b>23,871</b>	<b>51,216</b>	<b>62,730</b>

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
(a company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**for the year ended 31 March 2005**

	General Fund (Unrestricted) £	Legal Aid Franchise Fund (Restricted) £	Other Restricted Funds (Restricted) £	Capital Equipment Fund (Designated) £	TOTAL FUNDS 2005 £	TOTAL FUNDS 2004 £
<b>ANALYSIS OF CHARITABLE EXPENDITURE :</b>						
<b>Costs of activities in furtherance of the charity's objects, including support costs</b>						
Salaries and national insurance	101,459	83,388	34,574		219,421	235,792
Employer pension contributions	6,544	4,562	970		12,076	13,296
Other staff costs (including redundancy costs)	686	5,227			5,913	1,737
Travelling expenses	6,721	927	434		8,082	7,124
Accommodation	38,439				38,439	36,400
Direct case costs - medical reports, etc.		673			673	410
Telephone and fax	4,320	1,114			5,434	5,320
Postage, stationery and advertising	14,705		37		14,742	11,219
Photocopier leasing and maintenance	3,678				3,678	3,042
Information and reference material	5,133	417			5,550	3,634
Training costs - external	2,256	710	180		3,146	1,380
Repairs and maintenance	4,171				4,171	4,828
Insurance	4,862				4,862	4,670
Miscellaneous expenses	4,016				4,016	3,237
Irrecoverable VAT input tax	4,601				4,601	2,130
Depreciation of equipment				5,700	5,700	6,055
Common overheads allocated to other activities	-8,023	0	8,023		0	0
Specific project expenses borne by General Fund	274		-274		0	0
	193,842	97,018	43,944	5,700	340,504	340,274
<b>Management and administration</b>						
Audit fees	2,700				2,700	4,700
<b>TOTAL CHARITABLE EXPENDITURE</b>	<b>196,542</b>	<b>97,018</b>	<b>43,944</b>	<b>5,700</b>	<b>343,204</b>	<b>344,974</b>
<b>Other restricted funds - breakdown of expenditure between projects</b>						
<b>GP's Advice Scheme</b>						
Salaries and national insurance		11,168				
Travelling expenses		388				
Postage, stationery and advertising		37				
Training costs - external		180				
Allocation of common overheads		4,916	16,689			
<b>Welfare Benefits Advice Project</b>						
Salaries and national insurance		12,908				
Travelling expenses		46				
Allocation of common overheads		1,855	14,809			
<b>Youth Project</b>						
Salaries and national insurance		3,199				
Allocation of common overheads		579	3,778			
<b>County Court Advice Service</b>						
Salaries and national insurance		3,437				
Employer pension contributions		480				
Allocation of common overheads		583	4,500			
<b>Housing Association Project</b>						
Salaries and national insurance		2,091				
Employer pension contributions		275				
Expenses borne by General Fund		-274	2,092			
<b>Neighbourhood Management Project</b>						
Salaries and national insurance		1,771				
Employer pension contributions		215				
Allocation of common overheads		90	2,076			
<b>Total charitable expenditure - other restricted funds</b>			<b>43,944</b>			

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
**(a company limited by guarantee)**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**for the year ended 31 March 2005**

	Note	2005		2004	
		£	£	£	£
<b>OPERATING INCOME</b>					
Grants receivable		182,552		180,900	
Other direct operational funding		146,934		156,048	
Donations received		242		1,582	
Other incoming resources		-		100	
			329,728		338,630
<b>OPERATING COSTS</b>					
Staff costs	4	237,410		250,825	
Depreciation	6	5,700		6,055	
Other operating charges		100,094		88,094	
			(343,204)		(344,974)
<b>OPERATING (DEFICIT)</b>	3		(13,476)		(6,344)
<b>- continuing operations</b>					
Interest receivable	5		1,962		1,560
<b>(DEFICIT) FOR THE FINANCIAL YEAR</b>			(11,514)		(4,784)
<b>Total funds at the beginning of the year</b>			62,730		67,514
<b>TOTAL FUNDS AT THE END OF THE YEAR</b>			51,216		62,730

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.

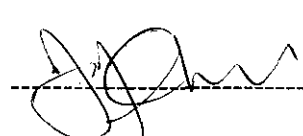
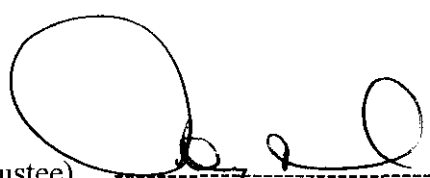
**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**BALANCE SHEET**  
**31 March 2005**

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	6	23,871	6,257
<b>CURRENT ASSETS</b>			
Debtors	7	3,310	4,050
Cash at bank and in hand	8	42,084	71,412
		45,394	75,462
<b>CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(18,049)	(18,989)
<b>NET CURRENT ASSETS</b>		27,345	56,473
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		51,216	62,730
<b>TOTAL FUNDS</b>	13 & 14		
<b>Unrestricted funds :</b>			
General Fund		10,182	45,282
<b>Restricted funds :</b>			
Legal Aid Franchise Fund		12,288	-
Youth Project Fund		-	3,778
County Court Advice Service Fund		1,875	6,375
Neighbourhood Management Project Fund		3,000	1,038
<b>Designated funds :</b>			
Capital Equipment Fund		23,871	6,257
		51,216	62,730

These financial statements were formally approved  
by the Directors and Trustees on 12 May 2006

Signed on behalf of the Directors and Trustees :


 (Director and Trustee)
 
 (Director and Trustee)

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2005**

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**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.

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2005**

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**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 2005**

**3. OPERATING (DEFICIT)**

The operating (deficit) is arrived at after charging :

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets - owned assets	5,700	6,055
Rentals under operating leases	2,065	2,065
Auditors' remuneration - audit services	2,700	4,700
Staff costs (see note 4)	237,410	250,825

**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 :

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages and salaries	204,334	219,544
Agency staff and other sundry staff costs	5,913	1,737
Social security costs	15,087	16,248
Pension costs	12,076	13,296
	<b>237,410</b>	<b>250,825</b>

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

<b>25,925</b>	<b>25,245</b>
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The average number of persons employed during the year, excluding directors, was as follows :

	<b>2005</b>	<b>2004</b>
	<b>No.</b>	<b>No.</b>
Management staff - full-time	2	1
Management staff - part-time	-	2
Other Bureau staff - full-time	1	3
Other Bureau staff - part-time	12	10
	<b>15</b>	<b>16</b>

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 ("Citizens Advice"). Additional clerical and administrative support is also provided by unpaid volunteers.

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
for the year ended 31 March 2005

**5. INTEREST RECEIVABLE**

	2005 £	2004 £
Bank and building society deposit interest	1,962	1,560

**6. TANGIBLE FIXED ASSETS**

	Computer systems and equipment £	Office furniture and other office equipment £	TOTAL £
<b>Cost</b>			
At 1 April 2004	26,468	5,635	32,103
Additions	21,638	1,676	23,314
Disposals	-	-	-
At 31 March 2005	48,106	7,311	55,417
<b>Depreciation</b>			
At 1 April 2004	21,520	4,326	25,846
Charge for the year	4,886	814	5,700
Disposals	-	-	-
At 31 March 2005	26,406	5,140	31,546
<b>Net book value</b>			
At 31 March 2005	21,700	2,171	23,871
At 31 March 2004	4,948	1,309	6,257

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

Capital expenditure during the year, as shown above under the heading of computer systems and equipment, relates principally to new computer equipment required in order to upgrade the Bureau's IT infrastructure to facilitate full implementation of the service-wide CASE system in line with Citizens Advice membership requirements.

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
for the year ended 31 March 2005

**7. DEBTORS**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	3,310	4,050
	<u>          </u>	<u>          </u>

**8. CASH AT BANK AND IN HAND**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank current account	1,099	3,103
Bank deposit account	29,024	56,890
Building society deposit account	11,556	11,195
Cash in hand	405	224
	<u>42,084</u>	<u>71,412</u>
	<u>          </u>	<u>          </u>

**9. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Taxation and social security	8,418	9,446
Other creditors	1,117	1,564
Accruals and deferred income	8,514	7,979
	<u>18,049</u>	<u>18,989</u>
	<u>          </u>	<u>          </u>

**10. CAPITAL COMMITMENTS**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Authorised but not contracted for	-	17,000
	<u>          </u>	<u>          </u>

**11. OPERATING LEASE COMMITMENTS**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
At 31 March 2005 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
	<u>          </u>	<u>          </u>

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2005**

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**12. PENSION SCHEME**

The company participates in and contributes to the Dorset County Pension Fund 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 Fund 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 2005 was £12,076 (2004 - £13,296). Contributions amounting to £797 were outstanding at 31 March 2005 (2004 - £1,051). The last full actuarial valuation of the Dorset County Pension Fund, completed in March 2005, revealed an overall deficit in the scheme, resulting in a requirement for increased employer contributions for 2005/06 at a rate of 15.00% compared to the rate of 14.94% payable throughout the year ended 31 March 2005, 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 2005

**13. TOTAL FUNDS**

	Balance at 1 April 2004 £	Movements in the year (Net) £	Transfers between funds £	Balance at 31 March 2005 £
<b>Unrestricted funds</b>				
General Fund	45,282	(11,786)	(23,314)	10,182
<b>Restricted funds</b>				
Legal Aid Franchise Fund	-	12,288	-	12,288
GP's Advice Scheme Fund	-	-	-	-
Welfare Benefits Advice Project Fund	-	-	-	-
Youth Project Fund	3,778	(3,778)	-	-
County Court Advice Service Fund	6,375	(4,500)	-	1,875
Housing Association Project Fund	-	-	-	-
Neighbourhood Management Project Fund	1,038	1,962	-	3,000
<b>Designated funds</b>				
Capital Equipment Fund	6,257	(5,700)	23,314	23,871
	<u>62,730</u>	<u>(11,514)</u>	<u>-</u>	<u>51,216</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 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 Welfare Benefits Advice Fund covers funds provided by the Community Fund (the operating name of the National Lottery Charities Board), the application of which was restricted to financing the specific project in question. This project was discontinued with effect from 31 March 2005 following the end of the three-year period covered by the related funding arrangements.

The Youth Project Fund covers funds provided by Lloyds TSB Foundation, the Tudor Trust and, latterly, the Gannett Foundation, the application of which was restricted to financing the operation of that particular project. This project was discontinued with effect from June 2005.

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2005**

**13. TOTAL FUNDS...continued**

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 specific 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 2005, between the General Fund and other specific funds operated by the Bureau :

<b>Fund</b>	<b>Tangible fixed assets £</b>	<b>Bank and cash balances £</b>	<b>Other current assets £</b>	<b>Current liabilities £</b>	<b>TOTAL £</b>
General Fund	-	23,975	3,310	(17,103)	10,182
Legal Aid Franchise Fund	-	13,215	-	(927)	12,288
GP's Advice Scheme Fund	-	7	-	(7)	-
Welfare Benefits Advice Fund	-	12	-	(12)	-
Youth Project Fund	-	-	-	-	-
County Court Advice Service Fund	-	1,875	-	-	1,875
Housing Association Project Fund	-	-	-	-	-
Neighbourhood Management Project Fund	-	3,000	-	-	3,000
Capital Equipment Fund	23,871	-	-	-	23,871
	<u>23,871</u>	<u>42,084</u>	<u>3,310</u>	<u>(18,049)</u>	<u>51,216</u>

**BOURNEMOUTH CITIZENS ADVICE BUREAU**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2005**

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**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.