

COMPANY REGISTRATION NUMBER 3191085

**CAMBRIDGE AND DISTRICT CITIZENS ADVICE
BUREAU**

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2006

Charity Number 1056102

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

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CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2006

The trustees, who are also directors for the purposes of the Companies Act, have pleasure in presenting their report and the audited financial statements of the charity for the year ended 31 March 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name: Cambridge and District Citizens Advice Bureau

Charity registration number: 1056102

Company registration number: 3191035

Principal office and registered office: 72/74 Newmarket Road
Cambridge
CB5 8DZ

T 01223 222660
F 01223 222661
E cabadmin@cambridgecab.org.uk
W www.cabadvicehub.org.uk

The board of trustees on the date this report was approved:

Dr David Livesey	Chairman
Peter Chapple	Vice Chairman
Vanessa Connolly	
Peter Cowley	
Harry Cowper Smith	
Kate Flannery	
Robin Fox	Honorary Treasurer
Cllr Anthony Hymans (1)	
Sylvia Lowe	
Cllr Robin Martlew (2)	
Rosemary Polack	
Dr George Reid (3)	
Adjoa Tamakloe	Vice Chairman
Geoffrey Wilson	

Notes:

- (1) Nominated by Cambridgeshire City Council
- (2) Nominated by South Cambridgeshire District Council
- (3) Nominated by the University of Cambridge

The bureau seeks nominations from local authorities and from organisations which have common aims and aspirations. Such nominees are subject to appointment by the trustee board.

Company secretary: Andrew McWilliam

Chief executive: Rachel Talbot

Auditors: Whitmarsh Sterland
Chartered Accountants
& Registered Auditors
62 Hills Road
Cambridge
CB2 1LA

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Bankers: Barclays Bank plc
15 Bene't Street
Cambridge
CB2 3PZ

Solicitors: Mills & Reeve
Francis House
112 Hills Road
Cambridge
CB2 1PH

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document:

The bureau is a charitable company limited by guarantee, incorporated on 26 April 1996 and registered as a charity on 13 June 1996. The company is established under a Memorandum of Association which identifies its objects and powers and is governed under its Articles of Association. In the event of the company being wound up every member (including members who ceased to be members within one year prior to such winding up) would be required to contribute to the company's assets an amount not exceeding £1.

Recruitment and appointment of new trustees:

The maximum number of trustees is 21 and the minimum is 4. Trustees are either elected at the annual general meeting, or nominated by member organisations or co-opted by the Trustee Board (provided that the number of co-opted trustees does not exceed one third of the total number of trustees). All elected and nominated trustees shall retire from office at the third annual general meeting following their election or appointment respectively.

The Cambridge and District Citizens Advice Bureau (Cambridge CAB) Development and Business Plan 2005-2008 Governance Section includes the overall objective that 'All trustees are able to certify that they feel fully engaged, part of the process and understand the needs of the organisation'. The agreed annual actions are:

- a) The Trustee Board exercises overall responsibility for the strategic direction, organisational policy and planning, finance and decision making.
- b) The Trustee Board evaluates its skills and undertakes equal opportunities monitoring.
- c) A positive recruitment programme is developed and adopted.
- d) A review of representative organisations undertaken in light of community profiling work.

The trustees who served the charity during the year were as follows:

Peter Chapple	Vice Chairman
Vanessa Connolly	
Peter Cowley	Appointed 25 April 2005
Harry Cowper Smith	
Kate Flannery	
Robin Fox	Honorary Treasurer
Bryn Hazell	Resigned 18 July 2005
Cllr Anthony Hymans	
Revd Mary Irish	Resigned 14 September 2005
Dr David Livesey	Chairman
Sylvia Lowe	
Cllr Robin Martlew	
Rosemary Polack	Resigned as Vice Chairman on 14 September 2005
Dr George Reid	
Adjoa Tamakloe	Appointed as Vice Chairman on 23 January 2006

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On 14 September 2005 Rosemary Polack resigned as a vice chairman and on 23 January 2006 Adjoa Tamakloe was appointed as the second vice chairman.

Sylvia Lowe retires on 17 July 2006 and is not seeking re-election. Peter Chapple and Adjoa Tamakloe also retire on that date and offer themselves for re-election. Robin Martlew is being re-nominated.

In addition to the above trustees the following attend the management committee as non voting members:

Rachel Talbot – Chief executive
Pam Lakin – representing the volunteers
Dr Donald Porteous – representing the volunteers
Christiane Barker – representing the paid staff
Elizabeth Tompson – representing the paid staff
Nim Njuguna – representing the Cambridge Ethnic Community Forum

Induction and training of trustees:

New trustees are invited to attend the bureau and are provided with an 'Induction Pack' covering such topics as legal status and governance, structure, organisation and staffing, finances, policy and strategy. In addition, to familiarise themselves with the charity and the context within which it operates, new trustees are invited and encouraged to attend training courses organised by the Citizens Advice East Region and to attend specialised training where it is considered to be appropriate.

Trustees who are members of sub-committees are offered training and refresher courses on issues such as appraisal processes, legal updates on key employment and volunteer law, updates on charity finance and other changes that may be of relevance to the functions they carry out.

A record of all staff and volunteers training is maintained and reviewed annually to assess the skills base of the organisation and Trustee Board.

Organisational structure:

The organisation has role descriptions for the trustees, the chairman, the vice chairmen, the honorary treasurer and the company secretary and these are all discussed as part of the induction process and reviewed from time to time.

The organisation has an Operations Committee, a Staff/Personnel Committee and an Appeals Committee and currently has two working groups (Risk Management and Property). Each of these report to the Trustee Board. The Chief Executive attends all meetings of the sub committees and of the working groups.

Composition and functions of the sub committees:

1 Operations Committee

Functions: budgets/end of year accounts/projects/contracts
strategic and business planning/salaries.

Core Membership: Dr David Livesey (Chairman) Anthony Hymans
Peter Chapple Rosemary Polack
Harry Cowper Smith Adjoa Tamakloe
Robin Fox

There is a standing invitation to all Board Members to attend the meetings of this committee if they so wish.

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2 Staff/Personnel

Functions: staff and volunteer appointments/terms and conditions and other personnel functions/annual review of personnel matters and appraisals.

Membership: Sylvia Lowe (Chair) Robin Fox
Peter Cowley Penny Hedderwick
Kate Flannery David Livesey

3 Appeals Committee

Functions: to process disciplinary and grievance issues at the appropriate stage of the procedure.

Membership: Adjoa Tamakloe Rosemary Polack
Peter Chapple

Composition and functions of the two working groups:

1 Risk Management

Functions: to analyse annually the risks and the time scales/budgets for taking action on such matters as health and safety.

Membership: Peter Chapple Vanessa Connolly

2 Property Working Group

Functions: to review, monitor and make recommendations on all aspects of the bureau's property leasing and development (including the Advice Hub)

Membership: George Reid (Chairman) David Livesey
Vanessa Connolly Geoffrey Wilson
Robin Fox

Jon Hutt (a director of Savills (L&P) Ltd) and Nicky Wightman (part -time paid co-ordinator) attend meetings of this working group.

The chief executive is responsible to the trustee board:

- for the management development and strategic planning of the Cambridge CAB services.
- to show vision and leadership in the continuing development of Cambridge CAB thus ensuring it remains one of the leading advice centres in the United Kingdom
- to serve and advise the board of directors in carrying out their responsibilities, in maintaining an overview of the organisation and in making appropriate strategic, policy and financial decisions.

The chief executive post is the most senior staff post. The focus of the post is on the overall strategic elements of management including forward planning, external relations, ensuring that the bureau complies with Citizens Advice aims, policies and quality standards, public accountability, personnel, finance, funding and the raising of resources. All the above duties and responsibilities must be carried out in compliance with Equal Opportunities practice, policies and legislation.

More specific management responsibilities may be delegated as appropriate.

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Citizens Advice:

The charity is a member of Citizens Advice (CitA) and conforms with its membership requirements and to its aims, principles and policies.

Risk Management:

The trustees have established a basis for the assessment, review and management of the major risks faced by the charity. The trustees are satisfied that all material risks have been addressed. Among these is the ever present risk of the impact of changes in local government finance on the ability of our funders to continue to commit to the current level of support. Also under active risk management is the position with respect to the lease of the existing accommodation and potential future alternatives.

OBJECTIVES AND ACTIVITIES

The principal activities of the bureau are to provide a free, confidential and impartial service and information to the public.

The principal aims of the organisation are twofold:

1. to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them or through an inability to express their needs effectively; and equally
2. to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The main objectives and activities for the year continued to focus on the provision of advice and guidance to the local population. The strategies in place to assist the charity to meet these objectives included the following:

- ? The charity engages a large number of volunteers as generalist advisers. They are required to complete training which takes 6-9 months, attend monthly legal update training and also to keep themselves abreast of issues by reading regular bulletins, newsletters, emails and 'Cablink' news.
- ? Providing access to the charity's specialised resource through walk in surgery, outreaches, visits and telephone response
- ? Working in partnership with other agencies to ensure that the widest range of services is available that best matches the needs of the client population.

The majority of the work of the bureau is generalist advice work which is primarily carried out by its volunteer advisers. This consists of 'one off' advice which relates to a wide range of advice topics. There are 14 key areas of advice: benefits, consumer issues, debt, education, employment, finance, health, housing, immigration and nationality, legal, relationships, tax, travel and utilities. This advice can be delivered by face -to-face (drop-in), telephone, fax, letter or email. During the year the charity managed to increase the number of client visits from 14,000 to over 20,000, of which just over 10,000 were new clients representing 5% of the adult population of Cambridge City and South Cambridgeshire.

The bureau's target for the year in relation to phone advice was to increase the number of calls answered by 100% and this was achieved. Notwithstanding, there is an enormous unmet demand for this service and the bureau is therefore entering into a partnership Access Project to improve service delivery further during 2006.

In addition to the generalist advice the bureau employs specialist case workers in welfare rights, debt and mental health. A full-time case worker would normally carry a workload of 75 open cases at any one time. A full-time benefit worker would expect to generate approximately £500,000 of benefit take-up per year.

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Significant key achievements during the year:

The Benefit Take-up Team, which is undertaken with the support of the Ely, Fenland and Huntingdon Citizens Advice bureaux, generated just over £2 million of new benefit during the period.

The specialist Legal Services Commission (LSC) caseworkers exceeded 98% of their contract target hours.

The Mental Health Specialists (2 part-time workers) helped 244 clients which amounted to 1,124 client sessions and in addition the generalist advisers helped an average of 10 clients a day with mental health problems.

Restructuring of the Specialist Team has enabled the charity to offer specialist benefit appeal work, high level benefit tribunal representation (creating potentially new case law) and, in addition, the bureau is an active member of the County Housing Advice Desk rota attending court twice a month and seeing an average of 7 clients each session. This involves representing clients in Court for housing, rent and mortgage repossession.

At the beginning of 2006 Cambridge CAB succeeded in being only one of four in the Country to win a project to deliver additional debt advice for 2 years from the LSC under Financial Inclusion Fund funding. During the period the charity successfully bid to increase its Cambridge County Council Benefit take-up project by recruiting 2 extra full-time workers and to provide targeted service delivery with difficult to access clients, such as travellers.

Midway through 2005, in partnership with the other bureaux in the County, the bureau was successful in being chosen as one of three national demonstration 'Access' projects primarily aimed at improving client throughput and setting up a virtual call centre jointly. A key feature of the project is to speed up the initial assessment of clients' problems in order to offer them the quickest, most appropriate advice.

The organisation has restructured the main office to ensure the most efficient use of space and IT and, in addition, there has been investment in equipment and expertise to enable more outreach working. However workspace continues to be an important issue for the bureau and, accordingly, the work on the Advice Hub project has been an important element of the bureau's activity during the year. Favourable steps appear to have been made towards identifying a potential new home in approximately 2 years time.

The charity makes significant use of volunteers both in terms of support roles (e.g. receptionists, ICT support, admin, special projects) and in the provision of its services. At the end of the financial year the organisation had 142 (includes Trustees) volunteers an increase of 21 people. The volunteers, excluding the trustees, are equivalent to 20 full time staff and the estimated value of volunteer inputs is assessed at c £530,000. Volunteers are an integral part of the service delivery by the bureau.

ACHIEVEMENTS AND PERFORMANCE

The Cambridge Citizens Advice Bureau has maintained its principle office in Newmarket Road Cambridge and its two outreaches at Sawston and Addenbrookes' Hospital. In addition a further outreach has been established in Girton.

Last year, in the Trustees' Report, there were identified specific future activities to be undertaken by the bureau. Progress against those is summarised below:

1) Building on and increasing, outreach and remote working

The bureau has reviewed and restructured the opening times at Addenbrooke's and added specialist services in Welfare Rights and Debt.

Debt and Benefit case work has been added to the Sawston service.

Outreach and home working has been delivered across the county targeting welfare rights work and since the beginning of 2006 debt work too.

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A new outreach is being piloted at Girton GP Surgery and discussions are underway with Queen Edith's Community Primary School.

2) Partner work on pilot phone advice service in order to improve access for clients

This refers to the 'Access' project mentioned above under 'Significant key achievements during the year'. It is due to start on 7 June 2006.

3) Working on assessing and developing the skills of the trustee board

Trustee training was held on 11 June 2005 and Equal Opportunities monitoring was carried out in January 2005.

4) Passing the organisational and quality audit with high marks

The bureau achieved a result of 99 out of a 100.

5) Increasing social policy work by a significant percentage and aiming for a paid county coordinator

The charity submitted 150 social policy evidence forms to CitA in 10 months (the bureau's target was 150 in 12 months). There have been set up rolling power points in the waiting area and the office window; in addition the window is used for monthly displays.

At least 4 volunteers have been identified – with one main co-ordinator – who are working on social policy issues. A monthly social policy topic is disseminated to the press, our advisers and clients. The bureau has set up a group of students who are undertaking research on specific social policy issues; e.g. charges at ATM machines, access to NHS dentistry etc. The charity has been unable to source funds for paid social policy work.

6) Setting up pro active projects to address the bureau's biggest topic area, debt; e.g. through financial literacy for new students, young people and families'

Limited progress has been achieved due to lack of funding and also to some extent because success in other areas has used up management time – e.g. Benefit, Debt and Access projects. However the charity plans to increase training provision from 16 hours part time per week to a full-time worker and to set up a training and work placement hub.

FINANCIAL REVIEW

Against the backdrop of limited financial resources, real and actual reductions in grant funding and insecurities over funding, it has continued to be difficult to plan and to enhance services. Nevertheless the charity, with sound financial management and the support of both its staff and volunteers generated positive cash flows and a net increase in funds of £22,933. Compared with the budget for the year the bureau increased its revenues, in particular through:

- ? Cambridge City Council – Yellow Route (to train advisers to take debt clients to just below 'case' level and therefore help to reduce the debt case work backlog): £13,172
- ? Awards for All – contribution to promotion of the bureau's activities: £5,000
- ? Financial Inclusion Fund – debt advice £12,795
- ? Cambridgeshire County Council benefits take up - £58,443

Expenditure increased against budget partly through staffing costs, reflecting the delivery of additional services, and significantly through investment in IT and the associated services. The latter has assisted the bureau in meeting its objectives in terms of service delivery and was particularly needed given the reduced grant funding and the consequent inability to recruit more staff and volunteers.

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Principal funding sources:

The principal funding for the charity were grants from Cambridge City Council and South Cambridgeshire County Council, grants and contract income from Cambridgeshire County Council and contract income from the Legal Services Commission. As a result of both cuts in grants and grants being held at previous year's levels the bureau has sought income for the provision of identifiable and manageable services. This has had some success but developing this income source is a slow process.

In addition, the bureau has endeavoured to negotiate contracts and service agreements with durations in excess of 12 months but this is proving difficult to achieve. The absence of long term contracts automatically results in less stability for the charity.

Investment Policy

The charity has no long term funds to invest but ensures that any surplus funds from time to time are invested in its COIF Charity Account. The rates of interest earned were 4.6% during the first half of the financial year and 4.3% in the remainder.

Reserves:

The reserves policy approved by the trustees on 21 July 2003 recommended a minimum of 2 months running costs be held in reserve.

At 31 March 2006 the relationship had improved over 2004/5 and was ahead of the budgeted position for 2005/6. This arose through a combination of increasing the level of turnover whilst at the same time managing the cost base so as to deliver a reasonable surplus (£22,933) compared with the budgeted small deficit of £7,010. This enhanced outcome of plus £29,943 has resulted in a ratio of 1.8 months running costs compared with 2005/6 costs. However, based upon the budgeted activity for 2006/7 and the corresponding budgeted reserves at 31 March 2007 the ratio is expected to fall back again to approximately 1.5 months. This is because the level of activity is forecast to grow by 30% whilst the reserves are budgeted to increase by only 10%.

Included within the total reserves are designated funds of £15,715, being a lease reserve. It is envisaged that any dilapidation costs relating to the Newmarket Road premises will be charged against this fund.

Whilst the level of reserves described above is running counter to the policy of the trustees and, indeed, results in the charity running with minimal reserves, the operating position should remain tenable so long as its major funders continue to provide income in advance or, alternatively, in a timely manner.

Plans for future periods:

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Particular plans over the next year include:

- 1) Continuing to develop the Advice Hub project, outreach and ICT elements
- 2) Increasing partnership working with other bureaux, advice agencies and voluntary organisations to deliver wider scale contracts
- 3) Launching the "Access Project" in partnership with other bureaux
- 4) Increasing advice work in partnership with health agencies
- 5) To successfully raise funds to establish a county-wide training hub

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TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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

AUDITORS

A resolution to re-appoint Whitmarsh Sterland as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the trustees

Andrew McWilliam
Company secretary

Approved by the trustees on 3 July 2006

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU

YEAR ENDED 31 MARCH 2006

We have audited the financial statements on pages 14 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 16 to 17.

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditors' 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

The responsibilities of the trustees of the charity for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 11.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Annual Report is not consistent with the financial statements, if the charity 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' remuneration and transactions with the charity is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU***(continued)*

YEAR ENDED 31 MARCH 2006

OPINION

In our opinion:

- ? the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2006 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- ? The information given on the Trustees Annual Report is consistent with the financial statements.

WHITMARSH STERLAND
Chartered Accountants
& Registered Auditors
62 Hills Road
Cambridge
CB2 1LA

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2006

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
INCOMING RESOURCES					
Donations and gifts		9,415	–	9,415	6,202
Insurance claim		–	–	–	1,937
Fundraising		2,149	–	2,149	–
Activities in furtherance of the charity's objects:					
Grants receivable and contract income	2	522,892	76,817	599,709	483,037
Bank interest		5,664	–	5,664	4,733
Other income		57	–	57	3,516
TOTAL INCOMING RESOURCES		540,177	76,817	616,994	499,425
RESOURCES EXPENDED					
Charitable activities		503,708	83,470	587,178	498,610
Governance costs		6,883	–	6,883	6,751
TOTAL RESOURCES EXPENDED	3	510,591	83,470	594,061	505,361
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR	4	29,586	(6,653)	22,933	(5,936)
Balances brought forward		60,080	8,606	68,686	74,622
Balances carried forward		89,666	1,953	91,619	68,686

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 16 to 22 form part of these financial statements.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

31 MARCH 2006

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Tangible assets	5		7,748		7,224
CURRENT ASSETS					
Debtors	6	29,327		29,115	
Cash at bank and in hand		274,275		116,841	
		303,602		145,956	
CREDITORS: Amounts falling due within one year	7	(219,731)		(84,494)	
NET CURRENT ASSETS			83,871		61,462
TOTAL ASSETS LESS CURRENT LIABILITIES			91,619		68,686
NET ASSETS			91,619		68,686
FUNDS					
Unrestricted:					
Designated funds	9		15,715		15,715
Other charitable funds			73,951		44,365
Restricted	10		1,953		8,606
TOTAL FUNDS			91,619		68,686

These financial statements were approved by the members of the committee on the 3 July 2006 and are signed on their behalf by:

Dr David Livesey (Chairman)

The notes on pages 16 to 22 form part of these financial statements.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	33.33% straight line
Office equipment	-	33.33% straight line
Software	-	Over the life of the licence

Any tangible fixed asset or software costing £1,000 or less is written off in the financial statements in the year it is acquired. For any such asset costing more than £1,000 depreciation is provided to write off the costs over its estimated economic life.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is entitled to the income and the amounts can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income (donations, gifts, Gift Aid and fundraising) is included in full in the SoFA when receivable.

Donated services, facilities and equipment are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Incoming resources from grants and contract income, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Investment income is included on an accrual basis.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES *(continued)*

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as a specific cost item.

Charitable expenditure comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirement of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categorise of the SoFA on a basis designed to reflect the use of the resource. Salary and other costs relating to a particular activity are directly allocated whilst all support costs are allocated in proportion to the aggregate value of actual salary costs and of notional volunteer costs.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

2. INCOMING RESOURCES FROM ACTIVITIES TO FURTHER THE CHARITY'S OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Advice services for clients with mental health problems				
Cambridgeshire County Council - Social Services for mental health project	-	31,673	31,673	25,750
Debt advice				
Legal Services Commission	55,545	-	55,545	55,579
Legal Services Commission - Financial Inclusion Fund	-	12,795	12,795	-
Cambridgeshire County Council - Financial Health Clinic	-	-	-	18,281
General advice				
Cambridge City Council - Core	190,229	-	190,229	190,759
South Cambridgeshire District Council	66,625	-	66,625	65,000
East Cambridgeshire District Council	500	-	500	500
Access Strategy Demonstration Centre	1,190	-	1,190	-
Housing advice				
CIAC	840	-	840	-
Outreach				
Addenbrooke's NHS Trust	-	12,441	12,441	12,138
Girton Outreach	-	4,036	4,036	-
Lottery Awards for All	-	-	-	4,800
Welfare benefits				
Legal Services Commission	37,031	-	37,031	37,052
Cambridgeshire County Council - Benefits Take Up	160,550	-	160,550	25,000
IT Support				
CitA - Access project	-	2,700	2,700	-
Friends of CAB IT equipment adaptation	-	-	-	150
Training				
Cambridgeshire County Council - Core	10,015	-	10,015	10,015
Cambridge City Council - Yellow Route	-	13,172	13,172	-
Friends of CAB IT Training	-	-	-	3,340
European Social Fund Training	-	-	-	5,000
CitA Learning and Skills Council Grant	-	-	-	4,000
Other Income	367	-	367	-
Advice Hub development				
Cambridge City Council - Advice Arcade grant	-	-	-	18,000
Capital equipment				
CitA IT Equipment grant	-	-	-	2,673
Legal Services Commission - Development Fund	-	-	-	5,000
	<u>522,892</u>	<u>76,817</u>	<u>599,709</u>	<u>483,037</u>

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

3. TOTAL RESOURCES EXPENDED

	Costs allocated to activities					
	Staff costs (note 1)	Support costs			Total 2006 £	Total 2005 £
		Staff costs (note 2)	Direct costs (note 1)	Other costs (note 2)		
£	£	£	£	£	£	
Advice services for clients with mental health problems	24,588	3,022	-	7,632	35,242	26,815
Debt advice	80,423	9,886	-	24,963	115,272	109,217
General advice	27,737	29,461	-	74,396	131,594	141,030
Housing advice	7,432	914	-	2,306	10,652	-
Outreach	14,629	2,956	-	7,464	25,049	33,317
Welfare benefits	134,554	16,539	-	41,766	192,859	106,079
IT Support	17,054	3,254	-	8,217	28,525	28,442
Training	9,273	10,981	-	27,731	47,985	53,710
Charitable activities	315,690	77,013	-	194,475	587,178	498,610
Governance	-	-	6,883	-	6,883	6,751
Total	315,690	77,013	6,883	194,475	594,061	505,361

Note 1: Costs allocated directly to activities

Note 2: Costs allocated to activities in proportion to the aggregate value of actual salary costs and of notional volunteer costs.

The aggregate payroll costs were:

	2006 £	2005 £
Wages and salaries	354,323	278,856
Social security costs	30,227	25,362
Other pension costs	8,153	7,725
	<u>392,703</u>	<u>311,943</u>

Particulars of employees:

The average number of staff employed by the charity, calculated on the basis of full time equivalents were as follows:

	2006 No	2005 No
Chief executive	1	1
Advisers and specialists	13	8
Administration and support	3	5
	<u>17</u>	<u>14</u>

The above numbers do not include trustees who are not permitted to receive remuneration for their duties.

No employees earned over £40,000 per annum.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

4. NET INCOMING/(OUTGOING) RESOURCES

Net incoming/(outgoing) resources is stated after charging:

	2006 £	2005 £
Staff pension contributions	8,153	7,725
Depreciation	4,541	3,697
Auditors' remuneration - as auditors	<u>1,704</u>	<u>1,650</u>

5. TANGIBLE FIXED ASSETS

	Computer equipment £	Furniture and equipment £	Total £
COST			
At 1 April 2005	7,133	3,960	11,093
Additions	5,065	–	5,065
At 31 March 2006	<u>12,198</u>	<u>3,960</u>	<u>16,158</u>
DEPRECIATION			
At 1 April 2005	2,549	1,320	3,869
Charge for the year	3,221	1,320	4,541
At 31 March 2006	<u>5,770</u>	<u>2,640</u>	<u>8,410</u>
NET BOOK VALUE			
At 31 March 2006	<u>6,428</u>	<u>1,320</u>	<u>7,748</u>
At 31 March 2005	<u>4,584</u>	<u>2,640</u>	<u>7,224</u>

6. DEBTORS

	2006 £	2005 £
Other debtors	1,922	28,431
Prepayments and accrued income	27,405	684
	<u>29,327</u>	<u>29,115</u>

7. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Trade creditors	10,830	7,505
Taxation and social security	39,166	25,148
Other creditors	–	192
Accruals	169,735	51,649
	<u>219,731</u>	<u>84,494</u>

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

8. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2006 the charity had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings	
	2006	2005
	£	£
Operating leases which expire:		
Within 1 year	732	367
Within 2 to 5 years	1,344	1,967
	<u>2,076</u>	<u>2,334</u>

9. DESIGNATED FUNDS

	£
Lease Reserve	<u>15,715</u>

10. RESTRICTED FUNDS

	Balance at 1 Apr 2005	Movement in resources:		Balance at 31 Mar 2006
	£	Incoming	Outgoing	£
		£	£	
Property refurbishment	2,216	-	(762)	1,454
Citizens Advice Rural Bureaux Grant	1,248	-	(1,248)	-
Friends of CAB - Translation Grant	466	-	(444)	22
LSC - Development Fund	954	-	(477)	477
Lottery Awards for All	3,722	-	(3,722)	-
Cambridgeshire County Council - Social Services for mental health project	-	31,673	(31,673)	-
Addenbrooke's NHS Trust	-	12,441	(12,441)	-
Girton Outreach	-	4,036	(4,036)	-
Legal Services Commission - Financial Inclusion Fund	-	12,795	(12,795)	-
CITA - Access project	-	2,700	(2,700)	-
Cambridge City Council - Yellow Route	-	13,172	(13,172)	-
	<u>8,606</u>	<u>76,817</u>	<u>(83,470)</u>	<u>1,953</u>

The property refurbishment fund represents the unexpended balance of donations and grants received when the un-incorporated bureau moved into the Newmarket Road premises.

The Citizens Advice Rural Bureaux grant was used for improvements to the Sawston outreach.

The Lottery Awards for All balance related to publicity and marketing for the promotion of outreach work.

The Legal Services Commission - Development Fund balance carried forward is to cover the remaining depreciation charge for equipment purchased in 2004/05 which will be discharged in 2006/07.

CAMBRIDGE AND DISTRICT CITIZENS ADVICE BUREAU COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

11. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	Total
	£	£	£
Property refurbishment	–	1,454	1,454
Friends of CAB - Translation Grant	–	22	22
LSC - Development Fund	477	–	477
	<u>477</u>	<u>1,476</u>	<u>1,953</u>
Unrestricted funds	7,271	82,395	89,666
	<u>7,748</u>	<u>83,871</u>	<u>91,619</u>

12. FINANCIAL COMMITMENTS

The bureau had no financial commitments at the end of the period.

13. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

14. PENSION COSTS

The bureau contributes to the personal pension policies of its staff. The pension cost charge represents contributions payable by the bureau and amounted to £8,153 (2005: £7,725).

15. COMPANY LIMITED BY GUARANTEE

The bureau is a company limited by guarantee, not having a share capital, and is a registered charity and is not liable to corporation tax.