

annual report & accounts 2001 - 2002



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Chairman's Review

The State of the Industry and the new CMA Group

The year has seen a sharp downturn and considerable change in the communications industry. Virtually every company trading in the sector has experienced difficulties and has been forced to make cutbacks in expenditure. Several of the larger companies have merged or gone to the wall. CMA, as an integral part of the communications industry, has not been immune to this climate and even though some analysts are now predicting that the worst is over, our traditional, major sponsors, are still being prudent with their expenditure and are taking a harder look at all their activities.

It would have been impossible a year ago to have predicted such a swift downturn. Our annual report last year included an assessment of the risks facing the Association, together with an appraisal of what your Board must do to limit the impact on CMA. Even so, the speed and depth of the industry's recession has meant that we have had to work very hard to keep ahead of events.

That we have been largely successful is a tribute to all those who have served on the Board in the last few years and to my predecessors as Chairmen. Had they not had the foresight to identify the processes and secure the resources to cushion CMA in times of adversity we would have had far greater difficulty sustaining our activities.

Our Treasurer comments on the details of our accounts for the year at the end of this narrative. But in summary TMA Ventures Ltd made its first ever trading loss – so there was no contribution to the parent CMA at the end of the financial year.

The loss had to be covered from CMA's reserves and the lack of any contribution from Ventures meant that to keep up our level of membership services CMA needed to dip further into reserves to cover its running costs.

As the downturn deepened your board took swift and decisive action to limit any drain on resources whilst strongly continuing to serve all our stakeholders to the best of our ability. All activity within our trading and charitable areas was reviewed which resulted in the creation of a new operational structure which we are calling "the CMA Group". This has been achieved by a bringing together of both the CMA and the Ventures activities into one single operating unit. This has enabled overall costs to be cut, although unfortunately it necessitated the loss of some staff during the restructuring activity. By rationalising activity and adopting a more cohesive approach we are already seeing benefits both at financial and relationship levels.

Against the background of this restructuring we also need to maintain a healthy cash flow and have looked firstly to our reserves and then to our two main assets – Convention and Ranmore House to enable us to do so. We did investigate realising Convention, but as this has historically been the major source of income for CMA, and because Convention continues to be the leading ICT Industry event of the year your Board decided that its sale in whole or part would not be a positive way forward. I referred above to the prescience of my predecessors on the Board in building up reserves. As a large portion of these is represented by the value of Ranmore House your Board decided to realise the value of the building under a sale and lease-back plan while at the same time maintaining ownership of Convention.

We believe we now have a newly restructured organisation, a continuing positive cash flow and flexibility to develop our trading ability whilst continuing to serve our membership by building on our position and strength within the industry.

We will continue to develop our range of strategic alliances and partners for all activities across the CMA Group enabling us to provide the best service to our membership and to maintain our allegiance to our charitable objectives.

The first action of the new CMA Group was to concentrate on refreshing Convention and to go about improving its appeal to both suppliers and users with particular attention to our own members.

Also central to our development programme is our use and exploitation of our web activities. The creation of a CMA Group has enabled us to reduce dramatically our web-related overheads by restructuring, bringing everything together on one site on a single platform. This has led to some exciting new partnerships, generating fresh revenues, whilst continuing to allow access to what is now one of the most important archives of material on the communications sector.

The Institute for Communications Arbitration and Forensics (ICAF), which we launched a year ago, has now received official support from the DTI for its incorporation as a professional institute and, after a year of hard work and investment, is now well placed to begin to play a significant role on the national and international stage.

However, ICAF's development has been slowed significantly by the illness of its Chief Executive, Professor Graham Robinson, who has recently had to step down from that post.

I would like to thank Graham on behalf of everyone in and associated with the CMA Group for all the hard work and effort he has devoted to establishing ICAF in such a short period of time. His effort has been tremendous and he will be sorely missed by us all.

Operations and Research

During the year the Special Interest Groups and Forums have continued to maintain an active programme of meetings, visits and seminars. I cannot speak too highly of the dedication and determination which our SIG and Forum leaders and their steering committees bring to the work of CMA. Without them we could not succeed in providing such an in depth service to our members and if I have omitted naming any person or group in my report it is only because space restricts me from doing so.

The leadership of both the Midlands and North and the Consultancy Forums changed hands during the year and our thanks must go to Dave Woods and Robin Verney for all their hard work over the years. The changes served to maintain momentum in already popular activities. The Scottish Forum leadership also underwent change, with Ernest Duff handing over some of the responsibilities which he has discharged so handsomely since the formation of the Forum.

One high spot included the visit by some 50 members of Tim Wye's Mobile SIG to O2's 3G test bed on the Isle of Man – the first such exposure to business customers of the capabilities of a live

network. For a third year running the Business Continuity Challenge was well attended and was once again run by Mike Mikkelsen and sponsored by BT. We saw the formation of a new Forum in the South-West, under the leadership of Mic Laird. Network Technologies ran a very well-attended programme, under the guidance of Barrie Kerswell, and the Public Sector Issues Forum, the Billing and the Numbering SIGs continued with their a mix of meetings and exchanges of views and news. The Quality SIG met with representatives from industry in order to improve the Comparable Performance Indicator process to incorporate new technologies. Jim Laird's Health SIG held a series of meetings that were intended to help his colleagues in the NHS to keep up to speed with professional developments in their sector.

The Fraud and Security SIG – one of our largest and run by Colin Mitchell, assisted by Dave Wright – was put under the day-to-day management of ICAF in order to make optimum use of resources and to provide an ever-improving service to members. The other large and very active activity, the e-Business Forum, led by Graham Marriner, had several well-attended meetings, with a high spot being a visit to the Future Labs at Consignia HQ and has had a wholly beneficial impact on helping members come to terms with the intricacies of trading on line.

The Billing SIG was very active throughout the year and Caroline Smith presented a paper and took part in a panel discussion on 'E-Billing and the Customer' at Billing Asia-Pacific 2001 in Kuala Lumpur. Feedback from the organisers and press interest showed that she provided a very valuable insight into customers' requirements of Billing.

Our SIG Leaders came together for a Forum meeting at the Cable & Wireless College in May, at which future policy and process for reaching out to the membership was discussed.

Examples of how we improved our website access, content and usability include the creation of an online registration mechanism allowing members to register for all SIG and Forum events through thecma.com medium. The Membership handbook was placed online and provides members with a facility to look up their own or other member details. This replaces the printed handbook and offers a more up-to-date version of membership details.

The ICAF website was successfully implemented in April 2001, in support of the ICAF press launch. News feeds, editorial, web links & partnerships were all co-ordinated for the site. A new look Billing for Business portal was implemented and incorporates new areas of content, such as a fully searchable online directory of companies associated with the billing industry. Within a remarkably short time it was generating some 10,000 page impressions a month.

Our main site implemented links to the website dedicated to Convention – TMA2001 - providing information on discounts and special packages. It helped to promote the event by encouraging wider member attendance and supporting TMAV's advertising to the wider business community. Our Information and Research team once again masterminded our highly successful annual survey – "Communications Market 2001". Fieldwork began at the end of May and the number of respondents totalled 562, the highest response rate ever achieved in the 8 years of the history of the survey. This was undoubtedly due to its easy, on-line accessibility.

Management Changes

I would also like to pay a personal tribute to our Director General, David Harrington who will be retiring during the coming year. David has been the committed and tireless leader of our staff in Ranmore House and has worked unstintingly for the benefit of the Association at all times. I sincerely hope that we will be able to continue to tap into his knowledge and professionalism in the future.

Graham's illness, David's forthcoming retirement and the restructuring of the group caused us to review the need for a senior appointment to assume management responsibilities for the Group as a whole. Consequently, in February 2002 we were fortunate enough to secure the services of Glenn Powell in the position of Chief Executive of the Group. Glenn has already made big differences to the whole organisation and will continue to work with David to maintain our charitable objectives, to enhance our services to members, to build on our commercial strengths and to improve our profile in industry and in government. Mark Smith as Head of Operations for the Group has provided continuity throughout the restructuring and will work closely with Glenn in his new position.

We have had an unusually hard year and we must pay tribute to our staff who have worked extremely long hours during these difficult times. I am unable to identify any one individual who has not given one hundred percent over the past twelve months. They are very determined, as is your Board, to do all that is necessary to sustain our organisation into the future.

Finance

As you will have seen in our annual report last year, we foresaw some of the emerging risks to our trading position and as a result your Board was able to minimise the impact on our finances. Although the end result was, in global terms, disappointing, it could well have been much worse and the Board acted rapidly to reduce expenditure and consolidate the activities of CMA to ensure our long term viability.

Convention, although still highly profitable and well-supported, showed a decline in income of £550K this year, which, together with the fall in revenues from The Technology Channel, were the major contributors to the loss of £483K experienced at year-end. In the light of the turmoil in industry the Board also decided to postpone Insight, which was scheduled to take place in March 2002. This incurred a loss of unrecoverable expenditure but the Board considered that this was likely to be less than if the event took place and proved to be unsuccessful.

This is the first loss suffered by TMA Ventures since its incorporation.

CMA itself rationalised its expenditure as far as possible whilst maintaining its charitable focus. Income generally was in line with expectations whilst costs, including the cost of supporting ICAF, were held well within budget. However, it has become apparent that creating a solid income stream within ICAF will take more time than originally envisaged although all of its activities have been extremely well received by the sector.

In the current climate we will of course keep all of our expenditure closely under scrutiny. The full trading position of the Group can be seen in detail in the audited accounts.

Among the challenges thrown up by these disappointing figures, however, there is evidence that we have kept our sights firmly on maintaining our support to the membership. Our charitable expenditure has gone down by a relatively small amount, from £950K to £835K, and at the same time we have succeeded in reducing our management and administration costs from £138K to £128K.

The consolidation of all CMA's activities into a single CMA Group organisation has been instrumental in helping to reduce our overheads. Your Board has also cut back on all activities that do not bring direct benefits to the membership or the charitable objectives of the CMA. In order to ensure that the group has the cash necessary to meet its commitments and continue to trade effectively, CMA's office of Ranmore House has been sold at its full market value of £1.42M and leased back. Because of the reduced number of staff in the CMA group it has been possible to sublet part of the building to offset part of CMA's rental cost.

It is worth recording here that the asset value of our Convention is not represented on the balance sheet. A recent offer for the event from an established company in the field values it at several million pounds. That is a comforting figure with which to go forward into the future.

The measures that your Board has taken have returned the group to financial stability whilst trading conditions remain difficult. However, the risks which face us in the coming year are very real and we will continue to act with prudence and good sense in all areas of our activity. Sales for our next TMA Convention are good relative to the general industry climate and we are introducing a variety of new concepts to continue to maintain its position with both delegates and suppliers.

Directors' Report

The directors have pleasure to present their fourteenth annual report and financial statements for the year ended 31 March 2002.

Status

The company is a registered charity, Charity Number 800354.

Activity

The principal activity of the company during the year continued to be:

- To influence the communications environment for the benefit of users;
- To optimise the role of communications in the development of information services;
- Through a process of education, to improve the overall and specific skill levels in the practice of telecommunications management.

The principal activity of its one trading subsidiary company, CMA Ventures Limited, which changed its name from TMA Ventures Limited on 14 May 2002, is that of generating funds for the benefit of the holding company, the whole trading surplus of this company being covenanted to the holding company.

Results

The results of the group for the year ended 31 March 2002 are as set out on page 7 to the financial statements.

Significant Events

On 14 May 2002 the company completed the sale of its freehold property for a total of £1,420,000. The company has entered into a lease of the property at market rental on the same date.

On the same day the company repaid a short-term bank loan of £700,000.

Share Capital

The company is limited by guarantee and has no share capital. Every member of the company has a limited liability in the event of the company being wound up. Each current member may be called upon to contribute such amount as may be required not exceeding £1.

Directors

The company is managed by its Board of Trustees, the members of which are directors of the company. The following were directors during the year under review:

C Kimber	Chairman
S Dalby	Vice-Chairman (Resigned 5 July 2001)
P Scutchings	Finance (Resigned 5 July 2001)
D R Bunting	Finance (Appointed 5 July 2001)
K R Clark	Director
I G Moore	Director
J Wright	Director
V Peters	Director
P Wenham	Director
H Browne	Director
D Martin	Director
R Smith	Director
M Dixon	Director
M Hart	Director (Appointed 5 July 2001)
A S King	Director (Appointed 5 July 2001)

No director received any remuneration in respect of his or her services.

Fixed Assets

Details of changes to tangible and intangible fixed assets are disclosed in notes 5 and 6 to the financial statements. The directors are of the opinion that the market value of the freehold property is not materially different to that shown in the balance sheet.

Subsidiary Companies

Details of the subsidiary companies all of which are incorporated in England are as follows:

		% of Issued Share Capital Held
CMA Ventures Limited	- Trading	100
ICAF Limited	- Dormant	100

Auditors

In accordance with Section 385 of the Companies Act 1985 a resolution will be proposed at the forthcoming annual general meeting to re-appoint Baxter & Co. as the company's auditors at a fee to be agreed by the directors.

Approved by the Board on 22 May 2002

C Kimber
Chairman

Independent Auditors' Report to the Members of the Communications Management Association

We have audited the financial statements on pages 7 to 17 which have been prepared following the accounting policies set out on page 11.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Basis of Audit Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and the group as at 31 March 2002 and

BAXTER & CO
Registered Auditors
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

23 May 2002

Consolidated Profit and Loss Account

For the Year Ended 31 March 2002

	Note	£	2001 £
Income		2,354,210	3,897,861
Direct costs		<u>1,792,683</u>	<u>2,461,587</u>
		561,527	1,436,274
Administration expenses		<u>1,778,616</u>	<u>2,037,349</u>
Operating Deficit	11	(1,217,089)	(601,075)
Transfer from Reserves	12	<u>£(1,217,089)</u> =====	<u>£(601,075)</u> =====

The group's income and expenses all relate to continuing operations.

Statement of Financial Activities

For the Year Ended 31 March 2002

	Note	£	2001 £
Incoming Resources			
Subscriptions, certificates and education		145,353	191,234
Investment income		5,936	36,398
Net income of trading subsidiary	2	-	182,198
Rent and office services		61,793	75,862
Information and research		36,580	38,610
ICAF		26,801	-
Convention		20,726	-
		<hr/>	<hr/>
Total Incoming Resources		£297,189	£524,302
		<hr/>	<hr/>
Resources Expended			
Management and administration of the Charity		128,653	138,388
Charitable expenditure		834,972	949,760
Accommodation costs		67,693	37,229
		<hr/>	<hr/>
Total Resources Expended	3	£1,031,318	£1,125,377
		<hr/>	<hr/>
Net Movement for Year		(734,129)	(601,075)
Property revaluation during the year		-	325,915
Reserves brought forward at 1 April 2001		2,003,775	2,278,935
		<hr/>	<hr/>
Reserves carried forward at 31 March 2002		£1,269,646	£2,003,775
		<hr/> <hr/>	<hr/> <hr/>

Balance Sheet at 31 March 2002

	Note	Group 2002 £	2001 £	Company 2002 £	2001 £
Fixed Assets					
Tangible assets	5	1,429,001	1,466,469	1,403,309	1,434,486
Intangible assets	6	4,799	6,399	-	-
Investments	7	-	-	4	7
		<hr/>	<hr/>	<hr/>	<hr/>
		1,433,800	1,472,868	1,403,313	1,434,493
		<hr/>	<hr/>	<hr/>	<hr/>
Current Assets					
Debtors	8	578,402	914,508	562,842	305,523
Cash and bank balances		262,649	770,448	224,370	439,678
		<hr/>	<hr/>	<hr/>	<hr/>
		841,051	1,684,956	787,212	745,201
		<hr/>	<hr/>	<hr/>	<hr/>
Creditors:					
Amounts falling due within one year	9	(1,488,165)	(1,154,049)	(920,879)	(175,919)
		<hr/>	<hr/>	<hr/>	<hr/>
Net Current Assets/(Liabilities)		(647,114)	530,907	(133,667)	569,282
		<hr/>	<hr/>	<hr/>	<hr/>
Net Assets		£786,686	£2,003,775	£1,269,646	£2,003,775
		=====	=====	=====	=====
Reserves	12	£786,686	£2,003,775	£1,269,646	£2,003,775
		=====	=====	=====	=====

Approved on behalf of the Board on 22 May 2002

C Kimber
Director

D R Bunting
Director

Consolidated Cash Flow Statement

For the Year Ended 31 March 2002

	Note	£	2001 £
Net cash flow from operating activities	1	(1,198,569)	(433,284)
Investing activities			
Purchase of tangible and intangible fixed assets		9,230	40,022
		<hr/>	<hr/>
Net cash outflow from investing activities		9,230	40,022
		<hr/>	<hr/>
Decrease in cash and cash equivalents		(1,207,799)	(473,306)
Financing: Bank Loan		700,000	-
Cash and cash equivalents at 31 March 2001	2	770,448	1,243,754
		<hr/>	<hr/>
Cash and Cash Equivalents at 31 March 2002		£262,649	£770,448
		=====	=====

Notes to Cash Flow Statement

1. Reconciliation of Changes in Resources to Net Cash Outflow from Operating Activities

Changes in resources	(1,217,089)	(601,075)
Depreciation	50,179	56,504
Decrease in creditors	(367,765)	(221,530)
Decrease in debtors	336,106	332,817
	<hr/>	<hr/>
	£(1,198,569)	£(433,284)
	=====	=====

2. Analysis of Changes in Cash and Cash Equivalents During the Year

	2002 £	2001 £	Change in Year £
Short term deposits	348,143	938,137	(589,994)
Cash at bank and in hand	(85,494)	(167,689)	82,195
	<hr/>	<hr/>	<hr/>
	£262,649	£770,448	£(507,799)
	=====	=====	=====

Notes to the Consolidated Financial Statements

For the Year Ended 31 March 2002

1. Accounting Policies

1.1 Accounting Convention

The group prepares its annual financial statements under the historical cost convention, subject to the re-valuation of freehold property, which takes no account of the effects of inflation.

1.2 Basis of Preparation of Group Financial Statements

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up to 31 March 2002.

1.3 Income

Income comprises the invoice value of goods, services, subscriptions and interest receivable, exclusive of VAT, where applicable.

1.4 Investments

Investments are recorded at cost.

1.5 Subscriptions

Subscriptions were included on a receipts basis in the year to which they relate. During the year this policy was changed and subscriptions are now included on an accruals basis in the year to which they relate. This has not made any material change to the income shown.

1.6 Tangible Fixed Assets

Assets are recorded at cost or valuation.

Depreciation is charged on the cost of the freehold building on a straight line basis at the rate of 2% per annum. No depreciation is charged on the revaluation surplus.

Depreciation is charged on all other assets over the effective lives of the assets at the following rates from the date of purchase of the assets:

Office Equipment	33.33%	Straight Line
Furniture and Fittings	25%	Reducing Basis
Freehold Improvements	33.33%	Straight Line

1.7 Intangible Fixed Assets

Assets are recorded at cost.

Depreciation is charged on all the assets on the reducing value basis over the effective life of the assets at the following rates from the date of purchase of the assets:

Computer Software and Files	25%	Reducing Basis
-----------------------------	-----	----------------

1.8 Leased Assets

Rental payments due under operating lease agreements are charged to profit on ordinary activities in the period to which they relate.

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

2. Net Income from Trading Activities of a Subsidiary

The results of the trading subsidiary wholly owned by the charity, which is incorporated in the U.K., are shown below:

Audited accounts of the subsidiary will be filed with the Registrar of Companies

	£	2001 £
Profit and Loss Account		
Turnover	2,118,814	3,628,273
Cost of Sales	1,614,546	2,347,421
	<hr/>	<hr/>
Gross Profit	504,268	1,280,852
Administration	987,228	1,098,654
	<hr/>	<hr/>
Net Profit/(Loss)	(482,960)	182,198
Amount covenanted to holding company	-	(182,198)
	<hr/>	<hr/>
Retained in Subsidiary	£(482,960)	£-
	=====	=====

The trustees have agreed that the company will continue to support its trading subsidiary, TMA Ventures Limited, in the future.

3. Analysis of Total Resources Expended

	Staff Costs £	Other £	Depreciation £		2001 £
Management and administration of the Charity	80,512	38,396	9,745	128,653	138,388
Charitable Expenditure	299,327	516,675	18,970	834,972	949,760
Accommodation costs	-	56,393	11,300	67,693	37,229
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	£379,839	£611,464	£40,015	£1,031,318	£1,125,377
	=====	=====	=====	=====	=====

4. Changes in Resources Available for Charity Use

	£	2001 £
Net operating resource for the year	(1,217,089)	(601,075)
Net increase/(decrease) in tangible fixed assets	(37,468)	311,565
	<hr/>	<hr/>
Net Movement in Funds available for Future Activities	£(1,254,557)	£(289,510)
	=====	=====

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

5. Tangible Fixed Assets - Company and Group

Cost or Valuation	1 April 2001 £	Additions £	Disposals £	31 March 2002 £
Freehold Property	1,400,000	-	-	1,400,000
Office Equipment	404,069	8,838	-	412,907
Company Total	1,804,069	8,838	-	1,812,907
Furniture & Fittings	86,788	2,273	-	89,061
Group Total	£1,890,857	£11,111	-	£1,901,968
	=====	=====	=====	=====
	1 April 2001 £	Charge For Year £	Eliminated On Disposals £	31 March 2002 £
Depreciation				
Freehold Property	-	11,300	-	11,300
Office Equipment	369,583	28,715	-	398,298
Company Total	369,583	40,015	-	409,598
Furniture & Fittings	54,805	8,564	-	63,369
Group Total	£424,388	£48,579	-	£472,967
	=====	=====	=====	=====
Net Book Value	1 April 2001 £			31 March 2002 £
Freehold Property	1,400,000			1,388,700
Office Equipment	34,486			14,609
Company Total	1,434,486			1,403,309
Furniture & Fittings	31,983			25,692
Group Total	£1,466,469			£1,429,001
	=====			=====

The freehold property acquired in the year ended 31 March 1995 was revalued at 31 March 2001 by Pyle Owen & Partners, Consultant Surveyors, in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors.

The net book value of freehold property at 31 March 2002 represents fixed assets used for Direct Charitable purposes.

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

6. Intangible Fixed Assets - Group

Cost	1 April 2001 £	Additions £	Disposals £	31 March 2002 £
Computer Software and Files	£29,958 =====	-	-	£29,958 =====
Depreciation	1 April 2001 £	Charge For Year £	Eliminated On Disposals £	31 March 2002 £
Computer Software and Files	£23,559 =====	£1,600 =====	-	£25,159 =====
Net Book Value	1 April 2001 £			31 March 2002 £
Computer Software and Files	£6,399 =====			£4,799 =====
			£	2001 £

7. Investments - Company

Shares in Subsidiary Companies
Ordinary Shares of £1 each representing the whole
of the issued share capital:

CMA Ventures Limited	- Trading	3	3
TMA Limited	- Date of Dissolution 23 October 2001	-	1
TMA Education Limited	- Date of Dissolution 11 September 2001	-	1
TMA Europe Limited	- Date of Dissolution 18 September 2001	-	1
TMA Publishing Limited	- Date of Dissolution 11 September 2001	-	1
ICAF Limited	- Dormant	1	-
		—	—
		£4	£7
		==	==

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

	Group 2002 £	Company 2002 £	Group 2001 £	Company 2001 £
8. Debtors - Amounts falling due within one year:				
Trade Debtors	381,087	125,775	564,923	107,769
Other Debtors	18,275	-	2,185	-
Prepayments	172,393	30,420	342,557	10,713
Other Taxes and Social Security	6,647	6,647	4,843	4,843
Due from Subsidiary Company	-	-	-	182,198
	<u>£578,402</u>	<u>£162,842</u>	<u>£914,508</u>	<u>£305,523</u>
	=====	=====	=====	=====
Debtors - Amounts falling due after more than one year:				
Loan to Subsidiary Company	-	400,000	-	-
	<u>£578,402</u>	<u>£562,842</u>	<u>£914,508</u>	<u>£305,523</u>
	=====	=====	=====	=====

The loan to the subsidiary company CMA Ventures Limited, is secured by a fixed and floating charge over the assets of that company. The loan carries an interest rate of 2.5% over bank base rate and is due for repayment on 31 March 2004.

	Group 2002 £	Company 2002 £	Group 2001 £	Company 2001 £
9. Creditors – Amounts falling due within one year:				
Bank Loan	700,000	700,000	-	-
Exhibitions and Other Fees				
Received in Advance	503,049	120,396	850,714	39,471
Other Taxes and Social Security	10,252	10,252	32,082	21,721
Creditors and Accruals	274,864	90,231	271,253	114,727
	<u>£1,488,165</u>	<u>£920,879</u>	<u>£1,154,049</u>	<u>£175,919</u>
	=====	=====	=====	=====

The bank loan of £700,000 was repaid in full on 14 May 2002.

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

10. Contingent Liabilities and Capital Commitments

- (a) There are no known material contingent liabilities outstanding at the balance sheet date.
 (b) There were no material capital commitments at the balance sheet date.

	£	2001 £
11. Operating Deficit is stated after charging:		
Depreciation	50,179	56,504
Auditors' Remuneration	8,520	7,500
	=====	=====

12. Reserves

Balance Brought Forward	2,003,775	2,278,935
Deficit of Income over Expenditure	(1,217,089)	(601,075)
Revaluation Reserve	-	325,915
	-----	-----

Balance Carried Forward	£786,686	£2,003,775
	=====	=====

Analysis of Reserves

Contingency	786,686	603,775
Property	-	1,400,000
	-----	-----
	£786,686	£2,003,775
	=====	=====

Reserves Policy

It is the intention of the trustees to retain contingency reserves equivalent to two years' expenditure.
 The property reserve is no longer required as the company's freehold property was sold after date.

13. Staff Costs – Group

Wages and Salaries	849,923	944,373
Social Security Costs	92,795	96,920
	-----	-----
	£942,718	£1,041,293
	=====	=====

Notes to the Consolidated Financial Statements (Continued)

For the Year Ended 31 March 2002

	£	2001 £
13. Staff Costs – Company (continued)		
Wages and Salaries	329,143	407,949
Social Security Costs	37,513	40,553
	<u>£366,656</u>	<u>£448,502</u>
	=====	=====

The number of higher paid employees of the charity whose emoluments fell within the following bands was as follows:

£50,000 - £60,000	1	1
£60,000 - £70,000	1	2

No directors' remuneration was paid by the charity in the year (2001 : Nil).

Members of the Board who also act as trustees of the charity were reimbursed with travelling and subsistence expenses in the following amounts.

	£	2001 £
Directors Reimbursed - 12 (2001 - 8)	£3,844	£3,132
	=====	=====
Indemnity insurance was acquired on behalf of Board Members at the following cost:	£2,310	£1,785
	=====	=====

Other than detailed above, there were no transactions with any of the directors.

14. Taxation

No provision has been made for taxation of the surplus for the year under review, the company having the benefit of charitable status.

15. Parent Company

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements.

Notes

Registered Office

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

