



THE OLD BUCKWELLIANS ASSOCIATION

Financial Report

**Year Ending
31st December 2009**

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Report of Treasurer**Income & Expenditure (page 2)**

- 2009 resulted in a net deficit of £2,203, on total revenue of £7,126
- This was £637 worse than 2008, mainly due to write-off of obsolete and excess stocks, worth £859
- The gross deficit in 2009 was £327, mainly due to subsidisation of the annual dinner
- 2009 was the third successive year of net deficits (the fourth successive year based on the way that subscription revenue is now accounted)
- Administrative Expenses of £1,311 were £429 lower than 2008

Balance Sheet (page 3)

- The Balance Sheet remains robust with reserves (Net Worth) of £26,215, but this is being steadily eroded by continual and increasing annual deficits

Cash Flow (page 4)

- The total cash balance stood at £26,103, £6,400 lower than 2008
- The reduction in cash comprised :- annual deficit -- £2,203, cost of the new website -- £3,500, and net changes in assets and liabilities -- £697

Notes to the Financial Statements (Page 5)

- The Notes contain substantial further details and explanations relating to the financial statements

Financial Management

- The committee is taking, and recommending, a number of actions in order to address the deficit
- In 2010 the annual dinner is being moved to a new location offering better value for money
- The total print run quantity of Old Buckwellians News has been significantly reduced
- Cost reductions alone will not however enable a break-even position to be achieved, so an increase in subscriptions is considered necessary



Peter Sharp, Treasurer

6/1/2010

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Report of Auditor

To the Committee and Members
The Old Buckwellians Association :

In my opinion, the accompanying financial statements give a true and fair view of the state of the financial affairs of the Old Buckwellians Association as at December 31st 2009, and of the income, expenditure, and cash flows for the year then ended, and have been properly prepared in accordance with generally accepted accounting principles and practice.



Peter Haseldine, Auditor

22/1/10

BUCKHURST HILL

The Old Buckwellians Association

Income & Expenditure Statement For the Year Ending December 31st

	<u>2009</u>	<u>2008</u>	<u>Note</u>
		(as restated)	11
Revenue & Sales			
Subscription Revenue	£ 4,396	£ 4,332	2.1
Annual Dinner Ticket Sales	2,520	2,725	2.2
Merchandise Sales	210	288	2.3
Total Revenue & Sales	<u>7,126</u>	<u>7,345</u>	
Costs			
Newsletter	4,313	4,266	3.1
Annual Dinner	3,014	3,068	3.2
Merchandise	126	179	3.3
Total Costs	<u>7,453</u>	<u>7,513</u>	
Gross Surplus/(Deficit)	<u>(327)</u>	<u>(168)</u>	
Other Expenses			
Administrative Expenses	1,311	1,740	4.1
Depreciation	350	0	4.2
Inventory Adjustments	859	99	4.3
Donations	811	0	4.4
Other Income			
Charity Quiz	785	0	4.4
Interest Income	670	441	5.2
Net Surplus/(Deficit)	<u>£ (2,203)</u>	<u>£ (1,566)</u>	

The accompanying notes provide further details

The Old Buckwellians Association

Balance Sheet

	December 31, 2009	December 31, 2008 (as restated)	Note
			11
ASSETS			
Fixed Assets	£ 3,150	£ 0	6.1
Current Assets			
Stocks	550	1,561	7.1
Debtors & Receivables	802	669	7.2
Cash at Bank and in hand	26,103	32,503	7.3
Total Current Assets	27,455	34,733	
Total Assets	<u>30,605</u>	<u>34,733</u>	
LIABILITIES			
Current Liabilities			
Creditors & Payables	166	89	8.1
Subscriptions in Advance (up to one year)	2,311	2,720	9.1
Total Current Liabilities	2,477	2,809	
Long-Term Liabilities			
Subscriptions in Advance (more than one year)	£ 1,913	£ 3,506	9.1
Total Liabilities	<u>4,390</u>	<u>6,315</u>	
Total Assets less Liabilities (Net Worth) ..	<u>£ 26,215</u>	<u>£ 28,418</u>	
Accumulated Fund			
Balance as at 1/1/2009 £28,418			
less Deficit for the year £(2,203)	26,215	28,418	10.1
Total Reserves	<u>£ 26,215</u>	<u>£ 28,418</u>	

The accompanying notes provide further details

The Old Buckwellians Association

Cash Flow Statement For the Year Ending December 31st

	2009	2008 (as restated)	Note
			11
Cash at Bank & In hand at January 1st	£ 32,503	£ 37,327	7.3
Cash at Bank & In Hand at December 31st	£ 26,103	£ 32,503	7.3
Cash Balance Increase/(Decrease)	£ (6,400)	£ (4,824)	
Cash Generated/(Utilised) from Operations			
Net Surplus/(Deficit)	£ (2,203)	£ (1,566)	
Reconciliation to cash generated from operations :-			
Depreciation	350	0	4.2
Sales from Stock & Stock Write off	1,011	278	2.3/4.3
Debtors, Receivables & Prepayments	(133)	131	7.2
Creditors & Payables	77	(2,681)	8.1
Subscriptions in Advance	(2,002)	(986)	9.1
Sub-Total	(697)	(3,258)	
Cash Generated/(Utilised) from Operations ...	(2,900)	(4,824)	
Other Utilisation of Cash			
Purchase of Fixed Assets	(3,500)	0	6.1
Cash Balance Increase/(Decrease)	£ (6,400)	£ (4,824)	

The accompanying notes provide further details

Notes to the Financial Statements

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NOTE 1. BASIS OF ACCOUNTING & ACCOUNTING PRINCIPLES**1.1 Basis of Accounting**

As an unincorporated association OBA is not obliged by law or regulation to produce any form of financial accounts. However, the constitution requires presentation of an audited financial report to the AGM, and the committee's policy is both to exercise sound financial management, and to be seen to do so. These accounts have therefore been prepared having regard to the generally accepted accounting principles, presentation, and disclosure requirements reflected in the Accounting Standard Board's *Financial Reporting Standard for Smaller Entities (FRSSE)*, effective April 2008. Specified financial statement formats have been modified where necessary in the interests of clarity, and in order to reflect the association's not-for-profit status.

For 2009 the basis of accounting has been changed from a cash basis to an accrual basis. This is mainly in order to provide a meaningful matching of income and expenditure, thus avoiding year by year fluctuations in accounted subscription receipts, and consequently in surpluses/deficits, which are not reflective of any changes in financial fundamentals. In order to provide a valid comparison of 2009 data with 2008 data, for the purpose of this report the 2008 accounts have been restated on an accrual accounting basis -- details of the prior period adjustments made are shown in Note 11.

1.2 Accounting Principles**(a) Revenue Recognition**

Membership subscriptions paid in advance are deferred and released to the income & expenditure account over the five year (or other) period to which the subscription relates.

(b) Fixed Asset Capitalisation & Depreciation

Development costs of the new website have been recognised as capital expenditure (as a tangible fixed asset) and depreciated evenly over 5 years, since the benefit from the website is expected to prevail for at least five years. This is in accordance with UITF (Urgent Issues Task Force) Abstract 29, issued by the Accounting Standards Board in February 2001.

(c) Stock Valuation

Stocks of merchandise are valued at the lower of cost and net realisable value, on a first-in first-out basis. Book stock values are consequently written off, or written down, where appropriate. Where there has been zero sales activity in the accounting period, and none is reasonably foreseen in the next accounting period, stock values are written off 100%. Where sales activity is low and no increased demand is foreseen, stock values are written down by 50%.

(d) Tax

The only potential liability for corporation tax arises from bank interest earned. The association is currently treated as dormant for corporation tax purposes by HMRC. The exemption is for five years from 2009 and the position will then be revisited by HMRC. Accordingly no accrual or provision is made for corporation tax payable.

(e) Total Recognised Gains and Losses

All recognised gains and losses are included in the income and expenditure account -- none are taken directly to reserves.

1.3 References

Accounting Standards Board :-
FRSSE : www.frc.org.uk/asb/technical/frsse.cfm
UITF Abstract 29 : www.frc.org.uk/asb/uitf/abstracts.cfm

HMRC :-
Small Tax Liabilities : www.hmrc.gov.uk/CTSA/small-tax-liabilities.htm
Clubs & Societies Guidance : www.hmrc.gov.uk/guidance/clubs-societies.htm

Notes to the Financial Statements

NOTE 2. REVENUE & SALES

2.1 Subscription Revenue

	2009	2008
Subscription payments received in the year	£ 2,394	£ 3,345
<i>plus</i> Deferred income released from prior year receipts	2,720	2,573
<i>less</i> Income deferred to future years	(718)	(1,586)
Total Subscription Revenue	<u>£ 4,396</u>	<u>£ 4,332</u>
Memo : Total number of subscriptions recognised	1597	n/a

2.2 Annual Dinner Ticket Sales

	2009	2008
Ticket Price	£ 28	£ 25
Ticket Sales	<u>£ 2,520</u>	£ 2,725
Total Cost of holding Dinner.....	3,014	3,068
Surplus/(Deficit) on Annual Dinner.....	<u>£ (494)</u>	<u>£ (343)</u>
Memo : Number of attendees (including guests)	94	106

2.3 Merchandise Sales

	Quantity			
	2009		2008	
	Sales	Year end Stock	Sales	Year end Stock
Baseball Caps	8	6	21	7
DVDs	3	-	15	7
Polo Shirts	0	-	0	n/a
Ties	9	141	8	150
Ties - old style	0	-	0	n/a

	Value			
	2009			2008
	Sales	Cost	Y/end Stock	Sales Cost Y/end Stock
Baseball Caps	£ 42	£ 42	£ 32	£ 111 £ 111 £ 90
DVDs	17	17	0	92 0 40
Polo Shirts	0	0	0	0 0 292
Ties	90	67	518	85 68 1,109
Ties - old style	0	0	0	0 0 30
Donations & Back Issues	61	0	-	0 0 -
Total	<u>£ 210</u>	<u>£ 126</u>	<u>£ 550</u>	<u>£ 288 £ 179 £ 1,561</u>
Surplus/(Deficit) on Merchandise	<u>£ 84</u>			<u>£ 109</u>

NOTE 3. COSTS

3.1 Newsletter

	2009	2008
Average Number of Copies Distributed per Edition	1,716	1,706
Total Annual Cost	<u>£ 4,313</u>	£ 4,266
Average Cost per Copy Distributed	£ 1.26	£ 1.25

3.2 Annual Dinner -- see Note 2.2

3.3 Merchandise -- see Note 2.3

NOTE 4. OTHER EXPENSES

4.1 Administrative Expenses

	2009	2008
Postage	£ 306	£ 530
Telephone	186	225
Website Maintenance.....	180	16
Miscellaneous Expenses	170	0
IT Consumables	166	221
Pupil Search Expenses	98	273
Stationery & Office Supplies	93	142
Audit Fee.....	75	72
IT Hardware & Software	24	225
Bank & Transaction Charges.....	13	36
Total Administrative Expenses	<u>£ 1,311</u>	<u>£ 1,740</u>

4.2 Depreciation -- see Note 6.1

Notes to the Financial Statements

4.3 Inventory Adjustments

Write off/write down of book stock balances were actioned as follows :-

Item	Write-off %	Rationale	2009	2008
Ties	50%	Limited recent sales activity	£ 517	-
Polo Shirts	100%	No sales activity for two years	292	-
Ties (old-style)	100%	Obsolete	30	-
DVD's	100%	Obsolete	23	-
Ties	Not applicable	Correction of overstated valuation	7	-
Various.....			(10)	99
Total Inventory Write-off			£ 859	£ 99

4.4 Donations

The net surplus on the charity quiz of £785 was donated to St Clare Hospice, Hastingwood, Essex. This included £26 donated by OBA in the form of baseball caps as quiz prizes.

NOTE 5. OTHER INCOME

5.1 Charity Quiz (held September 19th 2009)

	2009	2008
Ticket Sales (114 participants)	£ 570	-
Charity Auction Sales	380	-
Donations	176	-
Total Income	£ 1,126	-
Cost of Holding Event	341	-
Net Surplus on the event	£ 785	-

5.2 Bank Interest

	2009	2008
Gross Interest Earned :-		
NatWest Fixed Rate/Term Bonds	218	-
NatWest Deposit Accounts	25	441
Refund of Income Tax (*)	427	-
Total Interest Earned	£ 670	£ 441

(*) Income tax deducted at source from bank interest in the period 2002-2006, reclaimed from HMRC in 2009.

NOTE 6. FIXED ASSETS

6.1 Website

	as at December 31st	
	2009	2008
Book value made up as follows :-		
Website Development Cost	£ 3,500	-
less accumulated Depreciation (apportioned : July 1 to December 31)	(350)	-
Net Book Value	£ 3,150	£ 0

NOTE 7. CURRENT ASSETS

7.1 Stocks -- See Note 2.3

as at December 31st

7.2 Debtors/Receivables

	2009	2008
Deposits paid :-		
Woolston Manor re 2010 annual dinner	500	-
Metropolitan Police Sports Club re Annual Dinners	-	600
Theydon Bois Village Association re Charity Quiz	-	69
Accrued Interest.....	222	-
Prepayments.....	56	-
Undeposited Funds.....	24	-
Total Debtors/Receivables	£ 802	£ 669

7.3 Cash at Bank and in Hand

as at December 31st

	2009	2008
National Westminster Bank :-		
Current Account	2,082	£ 1,240
Deposit Accounts	4,021	31,225
Fixed Term/Rate Bond	20,000	-
Paypal Account	0	38
Cash in Hand	0	0
Total Cash at Bank and in hand	£ 26,103	£ 32,503

Notes to the Financial Statements

NOTE 8. CURRENT LIABILITIES

8.1 Creditors/Payables

	as at December 31st	
	2009	2008
Accounts Payable	166	£ 89
Total Net Creditors	£ 166	£ 89

NOTE 9. LONG-TERM LIABILITIES

9.1 Members' Subscriptions Received in Advance

Deferred Income comprises the balance of subscriptions paid in advance, not yet released to revenue.

	as at December 31st	
	2009	2008
Opening Balance	£ 6,226	£ 7,211
less Deferred income released from prior year receipts	(2,720)	(2,573)
plus Income received - deferred to future years	718	1,588
Balance at December 31st	£ 4,224	£ 6,226
of which :- up to one year due (current liability)	2,311	2,720
more than one year due	1,913	3,506

NOTE 10. RESERVES

10.1 Accumulated Fund

All reserves are included within the Accumulated Fund. No special reserves or funds are maintained.

NOTE 11. RESTATEMENT OF THE 2008 ACCOUNTS

As explained in Note 1.1, 2008 accounts have been restated on an accrual basis for the purpose of comparison with 2009. The following adjustments were made :-

Income & Expenditure Account (originally Receipts & Payments Account)

	Original	Restated	Change
Subscription Revenue	£ 3,321	£ 4,332	£ 1,011 a/
Annual Dinner Deposit Refunds	200	0	(200) b/
All other items	(5,883)	(5,898)	(15) c/
Total Net Surplus/(Deficit)	£ (2,362)	£ (1,566)	£ 796

Balance Sheet at December 31st

	Original	Restated	Change
Cash at Bank	£ 32,465	£ 32,503	£ 38 d/
Debtors & Receivables	0	669	669 e/
Creditors	0	(89)	(89) f/
Deferred Income	0	(6,226)	(6,226) g/
All other items	1,561	1,561	0
Accumulated Fund (formerly General Fund)	£ 34,026	£ 28,418	£ (5,608)

a/ See Note 2.1 for details (original figure omitted £24 received via Paypal -- total receipts were £3,345)

b/ Net refund of annual dinner deposits owing from prior years -- recognised as a receivable at December 31st 2007

c/ Rounding, and minor adjustments required to reconcile Income & Expenditure account with Balance Sheet

d/ Paypal account balance omitted from original data

e/ See Note 7.2 for details

f/ See Note 8.1 for details

g/ See Note 9.1 for details

The Old Buckwellians Association

Historical Data

Income & Expenditure Data (in thousands)

	Accrual Basis		Cash Basis		
	2009	2008 (as restated)	2007	2006	2005
Revenue & Sales					
Subscriptions	£ 4.4	£ 4.3	£ 4.4	£ 7.2	£ 4.5
Annual Dinner	2.5	2.7	2.2	2.5	2.7
Merchandise	0.2	0.3	1.7	1.1	0.8
Total Revenue & Sales	7.1	7.3	8.3	10.8	8.0
Costs					
Newsletter	4.3	4.3	3.6	3.8	3.6
Annual Dinner	3.0	3.0	2.6	2.8	2.6
Merchandise	0.1	0.2	1.6	1.1	0.7
Total Costs	7.4	7.5	7.8	7.7	6.9
Gross Surplus/(Deficit)	(0.3)	(0.2)	0.5	3.1	1.1
Other Income & Expenses					
Admin & Misc. Expenses	1.3	1.7	1.6	1.2	0.8
Depreciation	0.4	0.0	-	-	-
Inventory Write-off	0.9	0.1	0.0	0.0	0.0
Donations	0.8	0.0	0.0	0.0	0.0
Charity Quiz	0.8	-	-	-	-
Interest Income	0.7	0.4	0.6	0.4	0.5
Net Surplus/(Deficit)	£ (2.2)	£ (1.6)	£ (0.5)	£ 2.3	£ 0.8

Balance Sheet Data at December 31st (in thousands)

	Accrual Basis		Cash Basis		
	2009	2008 (as restated)	2007	2006	2005
ASSETS					
Fixed Assets	£ 3.2	£ -	£ -	£ -	£ -
Current Assets					
Stocks	0.5	1.5	1.8	0.6	0.5
Debtors & Receivables	0.8	0.7			
Cash at Bank and in hand	26.1	32.5	34.6	36.3	34.1
Total Current Assets	27.4	34.7	36.4	36.9	34.6
Total Assets	£ 30.6	£ 34.7	£ 36.4	£ 36.9	£ 34.6
LIABILITIES					
Current Liabilities					
Creditors & Payables	0.2	0.1	-	-	-
Subs.in Advance (less than 1 year)	2.3	2.7	-	-	-
Total Current Liabilities	2.5	2.8	0.0	0.0	0.0
Long-Term Liabilities					
Subs.in Advance (more than 1 year)	1.9	3.5	-	-	-
Total Liabilities	£ 4.4	£ 6.3	£ -	£ -	£ -
Net Worth	£ 26.2	£ 28.4	£ 36.4	£ 36.9	£ 34.6
Reserves					
Accumulated Fund	26.2	28.4	36.4	36.9	34.6
Total Reserves	£ 26.2	£ 28.4	£ 36.4	£ 36.9	£ 34.6