

Registered number: 00033983

THE OLD EDWARDSIANS' ASSOCIATION

FINANCIAL STATEMENTS

31 DECEMBER 2011

THE OLD EDWARDIANS' ASSOCIATION

OFFICERS' REPORT

31 DECEMBER 2011

The general committee presents its report and the audited financial statements for the year ended 31 December 2011.

Statement of officers' responsibilities

The officers are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the officers to prepare financial statements for each financial year. Under that law the officers have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the officers must not approve the financial statements unless they are satisfied that they 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 year.

In preparing these financial statements, the officers 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 officers are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Principal activity

The principal activity of the company is the promotion of fellowship among former pupils and those connected with the school of King Edward the Sixth in Birmingham. This continues, and there is additionally an increasingly close rapport with the School engendered by the happy coincidence of now having an enthusiastic Old Edwardian as Chief Master.

Report of the General Committee for 2011

The General Committee is pleased to present its report and the audited financial statements for the year ended 31 December 2011. Fuller copies of the latter may be obtained from the Treasurer.

There are familiar themes to report for this year, and some pleasing developments. Once again we have not sought a revaluation of the freehold land & buildings

In terms of the Association's finances the major item to report is the donation which was made to the Assisted Places Trust of £250,000. This will enable the school to make offers of more assisted places to those talented boys, who without some form of financial assistance would not be able to be at the school. Overall the Association's income was at a similar level to that of 2010 and the accounts show that the cost of our donation to the Trust amounted to £183,923. After taxation the net deficit for the year was £168,688 (2010 surplus £15,988) this has resulted in a deficit on the General Fund of £23,438.

We are pleased to report that our investments are continuing to show a surplus over and above their cost thanks to the revival of the stock market and the active management of the portfolio.

The main issue facing the Association at the present time is agreeing suitable terms for the renewal of the lease on the Streetsbrook Road Memorial Ground to the Old Edwardian's Sports Club.

THE OLD EDWARDIANS' ASSOCIATION

OFFICERS' REPORT

31 DECEMBER 2011

Report of the General Committee for 2011 (continued)

The Club has had a number of problems in recent years which have had an adverse impact on their ability to maintain the building and is now, thanks to its new management team, more financially viable and we are working with them to establish a lease which will enable them to go forward with more certainty than in previous years.

We would like to thank our Treasurer, Andrew Baxter for the work he has put into helping resolve this situation.

The School's Development Office, led by Simon Lerwill, has taken over the principal administrative tasks of the Association and has done an excellent job, more OE's are now in regular touch with the school than ever before. This has also resulted in some amazingly generous donations both to the Assisted Places Trust and to the School for new buildings.

We hope that we are able to resolve matters concerning the lease with the OESC quite quickly and that the building can be brought back to a better state of repair very shortly.

Directors

The directors for the company during the year were as follows:

A Baxter
M Baxter
J P N Martin
J S Wheatley (appointed 28 July 2011)

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Clement Keys, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 2 May 2012 and signed on its behalf.

J S Wheatley
Chairman

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE OLD EDWARDIANS' ASSOCIATION

We have audited the financial statements of The Old Edwardians' Association for the year ended 31 December 2011, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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 the officers and auditors

As explained more fully in the Officers' Responsibilities Statement set out on page 1, the officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Officers' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
THE OLD EDWARDIANS' ASSOCIATION**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the officers were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the officers' report.

Simon Atkins FCA (Senior statutory auditor)
For and on behalf of
CLEMENT KEYS

**Chartered Accountants
Statutory Auditors**

**39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS**

2 May 2012

THE OLD EDWARDIANS' ASSOCIATION

BALANCE SHEET

AT 31 DECEMBER 2011
Registered number: 00033983

	Note	2011		2010	
		£	£	£	£
Fixed assets					
Tangible fixed assets	2		43,288		43,288
Investments	3		283,709		442,567
			<hr/>		<hr/>
			326,997		485,855
Current assets					
Loan to Old Edwardians Sports Club Limited (of which £2,500 (2010 £3,500) is due in more than one year)	4	3,500		4,500	
Debtors		-		-	
Cash at bank and in hand		16,697		28,781	
		<hr/>		<hr/>	
		20,197		33,281	
Creditors: amounts falling due within one year	5	(21,483)		(24,737)	
		<hr/>		<hr/>	
Net current assets			(1,286)		8,544
			<hr/>		<hr/>
Total assets less current liabilities			325,711		494,399
			<hr/>		<hr/>
Capital and reserves					
Parental contribution fund	6		300,849		300,849
Ground appeal fund	7		43,288		43,288
Other reserves	8		5,012		5,012
General fund	9		(23,438)		145,250
			<hr/>		<hr/>
			325,711		494,399
			<hr/>		<hr/>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and signed on its behalf on 2 May 2012.

J S Wheatley
Chairman

The notes on pages 8 to 10 form part of these financial statements.

THE OLD EDWARDIANS' ASSOCIATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011		2010	
		£	£	£	£
Income					
Interest and dividends received	11		17,785		17,364
Donations received			2,529		2,759
			<u>20,314</u>		<u>20,123</u>
Expenditure					
Postages		-		-	
Printing and stationery		165		134	
King Edward's School Prize		100		100	
Donations to Old Edwardians Sports Club Ltd		1,000		1,000	
Other donations		300		300	
Assisted places donation		183,923		15,000	
Deficit on social events		-		10	
Incidentals		227		33	
Computer charges		-		-	
Auditors' remuneration		900		776	
Professional fees		2,310		1,000	
			<u>188,925</u>		<u>18,353</u>
			(168,611)		1,770
Other income					
Profit on disposal of investments		<u>1,337</u>		<u>18,030</u>	
			<u>1,337</u>		<u>18,030</u>
Deficit for the year before taxation			(167,274)		19,800
Taxation	10		(1,414)		(3,812)
(Deficit)/Surplus for year	9		<u>(168,688)</u>		<u>15,988</u>

THE OLD EDWARDIANS' ASSOCIATION
RECONCILIATION OF MOVEMENTS IN FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
(Deficit)/Surplus for the year	(168,688)	15,988
Balances brought forward	494,399	478,411
Balances carried forward	<u>325,711</u>	<u>494,399</u>

Income and surplus derive wholly from continuing operations.

There were no recognised gains and losses for 2011 or 2010 other than those included in the income and expenditure account.

The notes on pages 8 to 10 form part of these financial statements.

THE OLD EDWARDIANS' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2011

1 Accounting policies

Basis of accounting

The financial statements of the company are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Association is a company limited by guarantee which does not trade with a view to making profits and therefore the results of the year have been presented in the form of an Income and Expenditure Account because the Committee is of the opinion that this is the most appropriate format.

Freehold Land and Buildings

Depreciation is not provided on the land element of freehold property. It would be provided on the estimated buildings value, in order to write off the cost less its estimated residual value over the expected useful life. However, the residual value is considered by the Committee to be in excess of the cost.

Income

Advance and life subscriptions are carried forward over an appropriate number of years and are included in creditors. Life subscriptions under the scheme introduced in 1993 are carried forward over 12 years.

2 Tangible fixed assets	2011	2010
	£	£
Freehold land and buildings at Streetsbrook Road, Solihull at cost at 1 January 2011 and 31 December 2011	43,288	43,288
	<hr/>	<hr/>

THE OLD EDWARDIANS' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2011

3	Investments	2011 £	2010 £
	Cost		
	At 1 January 2011	442,567	431,517
	Additions	50,884	103,046
	Disposals	(209,742)	(91,996)
		<hr/>	<hr/>
	At 31 December 2011	283,709	442,567
		<hr/>	<hr/>
	The middle market value is	299,000	547,110
		<hr/>	<hr/>
4	Loan to Old Edwardians Sports Club Limited	2011 £	2010 £
	Loans bearing interest at a rate equal to that on Barclays Bank plc high interest business accounts repayable as follows:		
	within one year	1,000	1,000
	within 2-5 years	2,500	3,500
		<hr/>	<hr/>
		3,500	4,500
		<hr/>	<hr/>
5	Creditors: amounts falling due within one year	2011 £	2010 £
	Commuted subscriptions	3,655	4,710
	Accruals	17,828	20,027
		<hr/>	<hr/>
		21,483	24,737
		<hr/>	<hr/>
6	Parental contribution fund		2011 £
	At 1 January 2011 and 31 December 2011		300,849
			<hr/>

THE OLD EDWARDIANS' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2011

7	Ground Appeal Fund	2011 £	2010 £
	At 1 January 2011 and 31 December 2011	43,288	43,288
		<hr/>	<hr/>
8	Other reserves	2011 £	2010 £
	Browett Fund at 1 January 2011 and 31 December 2011	5,012	5,012
		<hr/>	<hr/>
9	General fund		2011 £
	At 1 January 2011		145,250
	Deficit for the year		(168,688)
	At 31 December 2011		<hr/> <u>(23,438)</u>
10	Taxation	2011 £	2010 £
	UK corporation tax charge on profits for the year	464	2,655
	Tax credit on franked investment income	950	1,157
		<hr/> <u>1,414</u>	<hr/> <u>3,812</u>

There were no factors that affected the tax charge for the year which has been calculated on the profits not exempt from mutual trading at the standard rate of corporation tax in the UK of 20.25% (2010 – 21%).

There are no factors that may affect future tax charges.

11 Interest and dividends received

Interest and dividends received include £14,693 (2010 - £12,403) in respect of listed investments.