

THE CONWAY CLUB
TREASURER'S REPORT AND ACCOUNTS
for the year ended
31st December 2012



THE CONWAY CLUB

Report of the Treasurer for the year ended 31st December 2012

On behalf of the Conway Club Committee, I am pleased to present the Treasurer's Report and Accounts for the year ended 31st December 2012.

The surplus for the year of £2,854 is a significant increase resulting from upwards adjustment to investment values but it must be considered in light of the fact that without this adjustment, there was actually only a small operating surplus for the year. Income was down by some 25% mainly due to the decrease in appeals and donations. On the expenditure side, we were fortunate to receive advertising revenue to partly offset a significant increase in postage rates and there was a one-off expenditure on digitising the club records.

The investment committee, together with our investment advisor made decisions to dispose of some poor performing stocks at a loss on their original cost but this was considered to be the best course of action in order that the funds realised, together with some from the deposit account could be re-invested in better performing shares.

The "Teaser" 100 club continues to increase its membership with 115 members entering the October 2012 draw. This is now the major source of funding for publication of the Cadet magazine and I again encourage all members to take the opportunity of winning one of the prizes. Full details can be found in any edition of the "Cadet" or by contacting the Hon Treasurer.

Both the London Cocktail Buffet and the Annual Dinner contributed profit with excellent fund raising activity at both functions further increasing Club funds.

The Shop did not have a good year and although it continues to make a contribution to club funds the new shopkeeper has provided a report on how we can possibly reduce the stocks and on which items we should be concentrating in the future. This will be considered by the committee at its next meeting. Thanks must again go to Rob Tubb for his sterling efforts on keeping the shop going under extreme pressure from work and we welcome David Pye to the role in 2013.

I make no apology for repeating my comments of last year in that the officers and Committee members carry out their valuable work at no cost to the club. In effect, this gives a false picture of the true cost of running the club and with increasing demands on personal finances, is a matter that may have to be addressed in the future.

As ever, my thanks must go to Clive Plummer for his excellent work in producing these final accounts. Regrettably, publication of the accounts is late this year, the fault lying squarely in the Hon Treasurer's lap due to a very high work load on other matters.

The Accounts as approved by your committee are attached and I hope they are sufficiently clear and detailed to allow you to understand the state of the Club's finances. I am happy to report that in my opinion the Club remains on a financially sound footing.

CHRIS SMITH
Honorary Treasurer

6th August 2013

THE CONWAY CLUB

Income and Expenditure Account for the year ended 31st December 2012

	Notes	2012	2011
Income			
Investment income - taxed	1	1,362	1,143
Bank interest - net		4	4
Shop surplus	2	274	877
Cocktail party - surplus	3	452	738
Lyme-Regis - surplus	4	-	30
Annual Dinner - surplus	5	1,362	1,147
Subscriptions		249	120
Appeal and donations	6	1,095	3,716
Teaser "100" Club - surplus	7	<u>3,618</u>	<u>3,499</u>
		8,416	11,274
Expenditure			
Newsletter		7,427	6,751
Advertising in Newsletter		(1,000)	-
Secretarial expenses		31	207
Depreciation	1/11	324	356
Sundry costs	8	674	726
Data processing of records - net		<u>684</u>	<u>-</u>
		<u>8,140</u>	<u>8,040</u>
Surplus before taxation		276	3,234
Taxation	14	<u>-</u>	<u>-</u>
Surplus for the year		276	3,234
Surplus on disposal of investments		109	-
Change in market value of investments	9	<u>2,469</u>	<u>(2,555)</u>
Total surplus recognised for the year		<u>£ 2,854</u>	<u>£ 679</u>

The notes on pages 4 to 7 form part of these accounts.

THE CONWAY CLUB

Balance Sheet 31st December 2012

	Notes	2012	2011
Accumulated fund at 1st January 2012		57,801	57,122
Total surplus recognised for the year		<u>2,854</u>	<u>679</u>
Accumulated fund at 31st December 2012		60,655	£57,801
Representing assets employed:			
Fixed assets:			
Investments at market value	9	43,421	31,094
Silver and trophies	10	1,000	1,000
Fixtures and office equipment	11	<u>241</u>	<u>565</u>
		44,662	32,659
Current assets			
Shop stock		9,313	10,152
Debtors	12	354	-
Cash at bank		<u>10,172</u>	<u>16,035</u>
		19,839	26,187
Current liabilities			
Creditors	13	3,846	1,045
Taxation	14	<u>-</u>	<u>-</u>
		3,846	1,045
Current assets less current liabilities		<u>15,993</u>	<u>25,142</u>
Net Assets		60,655	£57,801

Approved on behalf of the Committee
on 6th August 2013.

TOM MASON
2012 President

CHRIS SMITH
Honorary Treasurer

The notes on pages 4 to 7 form part of these accounts.

THE CONWAY CLUB

Notes to the Accounts

1. Accounting policies

Investments

Investments are stated at market value as at the Balance Sheet date.

Investment income

Investment income has been shown as the actual income received.

Depreciation

Depreciation is provided to write off the cost of office equipment and other fixed assets evenly at the rate of 25% per annum.

Taxation

The Club is liable to taxation on its untaxed investment income, interest received and capital gains.

2. Shop surplus

	2012	2011
Sales	2,626	4,211
Stock at 1st January 2012	10,152	10,318
Purchases and expenses	<u>1,513</u>	<u>3,168</u>
	11,665	13,486
Stock at 31st December 2012	<u>9,313</u>	<u>10,152</u>
	2,352	3,334
Sales at cost	<u>2,352</u>	<u>3,334</u>
Surplus for the year	£ 274	£ 877
	<u>=====</u>	<u>=====</u>

The net costs of packaging and postage have been included in sales at cost.

3. Cocktail party

	2012	2011
Income	1,425	1,860
Costs	<u>973</u>	<u>1,122</u>
Surplus	£ 452	£ 738
	<u>=====</u>	<u>=====</u>

The surplus includes fundraising at the function.

THE CONWAY CLUB

Notes to the Accounts

4. Lyme-Regis

	2012	2011
Total income	-	1,348
Total costs	<u>-</u>	<u>1,318</u>
Surplus	-	£ 30
	<u>=====</u>	<u>=====</u>

5. Annual Dinner

	2012	2011
Total income	6,448	5,721
Total costs	<u>5,086</u>	<u>4,574</u>
Surplus	1,362	£1,147
	<u>=====</u>	<u>=====</u>

The surplus includes all fundraising at the function.

6. Appeal and donations

Following the appeal in 2011, the Club benefited from further donations in the year, £1,095 being received (2011 Appeal and donations £3,716).

7. Teaser "100" Club

Total income of £5,618 was generated in the third year of operation. Prizes of £2,000 were drawn, resulting in a net surplus of £3,618 (2011 £3,499) being generated.

8. Sundry costs

	2012	2011
Mizzen Mast electricity	150	315
Club meetings, travel expenses and engraving	131	123
British Legion, MNA Memorial Service and other wreaths	172	66
Silver insurance	179	195
Bank charges	<u>42</u>	<u>27</u>
	674	£726
	<u>=====</u>	<u>=====</u>

THE CONWAY CLUB

Notes to the Accounts

9. Investments

	2012 Cost	Market Value
Equity funds		
123 Royal Bank of Scotland Group Plc ordinary at £1	5,147.72	399
525 Barclays ordinary at 25p	3,018.39	1,377
785 BP ordinary at \$0.25	5,218.31	3,334
2,750 Chesnara Plc ordinary at 5p	5,092.83	5,280
3,000 BT Group ordinary at 5p	6,585.66	6,936
500 Scottish & Southern Energy ordinary at 50p	<u>6,016.41</u>	<u>7,088</u>
	31,079.32	24,414
Investment companies		
800 Blackrock World MI ordinary at 5p	4,884.36	4,710
950 Herald Investment Trust ordinary at 25p	5,062.47	4,888
875 Templeton Emerging Markets ordinary at 25p	<u>5,053.06</u>	<u>5,132</u>
	14,999.89	14,730
Unit Trusts		
1,000 Jupiter Unit Trust	<u>2,277.00</u>	<u>4,277</u>
Portfolio at 31st December 2012		
	<u>48,356.21</u>	<u>43,421</u>
	2012	2011
Investments at cost	<u>48,356</u>	<u>42,647</u>
Investments at market value	<u>43,421</u>	<u>31,094</u>
Unrealised loss at 31st December 2012 - Cumulative	<u>£(4,935)</u>	<u>£(11,553)</u>

The increase in the valuation of the retained portfolio over the 31st December 2011 market value plus additions at cost, amounts to £2,469 (2011 £2,555 decrease). This has been credited to the Income and Expenditure Account together with the surplus realised in the year of £109.

10. Silver and trophies

These are valued at a nominal £1,000 (2011 £1,000) for the purpose of the accounts.

THE CONWAY CLUB

Notes to the Accounts

11. Fixtures and office equipment

Cost	2012	
At 31st December 2011		3,475
Additions		—
At 31st December 2012		3,475
Depreciation		
At 31st December 2011		2,910
Provision for year		<u>324</u>
At 31st December 2012		3,234
Net book value		
At 31st December 2012		241
At 31st December 2011		£ 565

12. Debtors	2012	2011
Annual Dinner 2013 - Expenses in advance	154	-
Insurance paid in advance	<u>200</u>	<u>-</u>
	£354	£ -
	=====	=====

13. Creditors	2012	2011
Amounts due for shop stocks and accrued expenditure	432	35
Deferred expenditure - Balance of PB Kingsford legacy	938	1,010
Memorial weekend - advance receipts	<u>2,476</u>	<u>-</u>
	£3,846	£1,045
	=====	=====

The original bequest from Paul Kingsford amounted to £3,000. He expressed a wish that the funds be utilised to purchase drinks at the Annual Dinner. At seven dinners up to 2012, port and associated corkage costs amounted in total to £2,062. The balance is carried forward, to be utilised on the occasion of future Annual Dinners; with thanks to Paul Kingsford as a mark of his generosity.

14. Taxation

Investment income is received with a 10% tax credit on dividends, or 20% on bank interest, with no further liability due. There was no untaxed investment income received during the year and therefore no tax liability arises.

THE CONWAY CLUB

Statement of Committee's Responsibilities for the year ended 31st December 2012

The Committee is required to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Club and of the income expenditure of the Club for the period then ended.

In preparing those accounts they are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Club will continue in operation.

The Committee is also responsible for:

- keeping proper accounting records;
- safeguarding the Club's assets;
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mitchell Charlesworth
Chartered Accountants

5 Temple Square · Temple Street · Liverpool · L2 5RH

**CHARTERED ACCOUNTANTS' REPORT TO THE COMMITTEE ON THE
UNAUDITED FINANCIAL INFORMATION OF THE CONWAY CLUB
FOR THE YEAR ENDED 31ST DECEMBER 2012**

In accordance with the engagement letter, we have prepared for your approval the financial information of The Conway Club for the year ended 31st December 2012 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes from the entity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to you, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial information of The Conway Club and state those matters that we have agreed to state to you in this report in accordance with the guidance of ICAEW as detailed at icaew.com/compilation.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of The Conway Club for our work or for this report.

You have approved the financial information for the year ended 31st December 2012 and have acknowledged your responsibility for it, for the appropriateness of the financial reporting framework adopted and for providing all information and explanations necessary for its compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial information.

CLIVE PLUMMER
MITCHELL CHARLESWORTH
Chartered Accountants
5 Temple Square
Temple Street
Liverpool
L2 5RH

6th August 2013