

THE CONWAY CLUB

TREASURER'S REPORT AND ACCOUNTS

For the year ended 31 December 2016



THE CONWAY CLUB

Report of the Treasurer For the year ended 31 December 2016

On behalf of the Conway Club Committee, I am pleased to present the Treasurer's Report and Accounts for the year ended 31 December 2016.

The surplus for the year of £7,316 is very healthy with jump in investment income to £3,198 from £1,849 in 2015. The market value of our investments has increased as well to £60,203 from £52,447 at the end of 2015.

Significantly donations to the Club rose from £2,330 to £5,749 and Teaser income rose from £4,490 to £5,940. Thank you to all who support the Club through donations and through the Teaser club.

We had one extraordinary expense during the year. The Training Ships Plaque at the National Arboretum was replaced and rededicated at a ceremony attended by officers and members of the Club. There was a small deficit from the dinner which as a social club is not significant and the Shop has made a loss mainly due to on-going restructuring.

We remain exceedingly grateful to those who have who support the fund raising activities at the AGM, Dinner, BBQ and other social functions; not just those of you who contribute funds but also to those who organize the events without whom none of this would happen. In addition a number of Teaser Winners have donated their prizes or recycled part of their winnings thus adding more to the Club income.

The Teaser Club continues to provide a vital source of income for continued publication of the Cadet. I thank those members who participate and I encourage all members to join and have the opportunity of winning a prize. Full details can be found in the Cadet or by contacting the Honorary Treasurer.

Conclusion

We have this year not been able to cover the full cost of the Cadet through the Teaser, a short fall of £717 but that is the aim so we really need to increase the number of Teaser Club members to ensure our outgoings are adequately covered.

The cost of the Cadet is nearly £7,000 per year and if we really do want to maintain the quality and frequency of this excellent magazine we need some concerted action! We also need to thank the producers of this fine publication Nick Hambleton (Editor), Penny Reeves (Publisher) and Mike Reeves (Branch coordinator) who all volunteer their services.

The accounts as approved by your Committee are attached and I trust that they are sufficiently clear and detailed, to fully disclose the state of the Club's finances. In my opinion the Club remains on a financially sound footing and if we can increase our regular income to cover our main expenses the club should be set fair over the medium term.

MATT BURROW
Honorary Treasurer

7 October 2017

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Income and Expenditure Account For the year ended 31 December 2016

Income	Notes	2016		2015	
		£	£	£	£
Investment income - taxed	1		3,198		1,849
Bank interest - net			5		2
Shop – (deficit)/surplus	2		(1,926)		447
Cocktail party - surplus	3		478		439
Cutty Sark - surplus	4		-		288
Annual Dinner - (deficit)	5		(890)		(246)
Subscriptions			40		100
Donations			5,749		2,330
Teaser “100” Club - surplus	6		5,940		4,490
			<u>12,594</u>		<u>9,699</u>
Expenditure					
Newsletter		6,657		6,826	
National Arboretum Memorial		891		-	
Secretarial and sundry Costs	7	<u>1,014</u>		<u>1,240</u>	
			<u>8,562</u>		<u>8,066</u>
Surplus before taxation			4,032		1,633
Taxation	1/13		<u>-</u>		<u>-</u>
Surplus for the year			4,032		1,633
Change in market value of investments and surplus on realisations	8		<u>3,284</u>		<u>(595)</u>
Total surplus recognised for the year			<u><u>7,316</u></u>		<u><u>1,038</u></u>

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

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Balance Sheet 31 December 2016

	Notes	2016		2015	
		£	£	£	£
Accumulated fund at 1 January 2016			70,266		69,228
Total surplus recognised for the year			<u>7,316</u>		<u>1,038</u>
Accumulated fund at 31 December 2016			<u>77,582</u>		<u>70,266</u>
Representing assets employed:					
Fixed assets					
Investments at market value	8	60,203		52,447	
Silver and trophies	9	1,000		1,000	
Fixtures and office equipment	10	-		-	
			<u>61,203</u>		<u>53,447</u>
Current assets					
Shop stock		3,701		5,554	
Debtors	11	-		1,390	
Cash at bank		<u>13,588</u>		<u>12,179</u>	
			<u>17,289</u>		<u>19,123</u>
Current liabilities					
Creditors	12	910		2,304	
Taxation	13	-		-	
			<u>910</u>		<u>2,304</u>
Current assets less current liabilities			<u>16,379</u>		<u>16,819</u>
Net Assets			<u>77,582</u>		<u>70,266</u>

Approved on behalf of the Committee
On 7 October 2017

CONRAD BLAKEY
President

MATT BURROW
Honorary Treasurer

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

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Notes to the Accounts For the year ended 31 December 2016

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. All of the fixed assets are fully depreciated.

Taxation

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

2. Shop	2016		2015	
	£	£	£	£
Sales		1,088		2,981
Stock at 1 January 2016	5,554		4,471	
Purchases and expenses	<u>1,161</u>		<u>3,617</u>	
	6,715		8,088	
Stock at 31 December 2016	<u>3,701</u>		<u>5,554</u>	
Sales at cost including provision		<u>3,014</u>		<u>2,534</u>
(Deficit)/Surplus for the year		<u>(1,926)</u>		<u>447</u>

3. Cocktail party	2016		2015	
	£	£	£	£
Income		2,200		1,620
Costs		<u>1,722</u>		<u>1,181</u>
Surplus		<u>478</u>		<u>439</u>

The surplus includes fundraising at the function amounting to £425 (2015 £345).

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Notes to the Accounts For the year ended 31 December 2016

4. Cutty Sark	2016	2015
	£	£
Total income	-	12,831
Total costs	-	12,543
	<hr/>	<hr/>
Surplus	-	288
	<hr/> <hr/>	<hr/> <hr/>
5. Annual Dinner	2016	2015
	£	£
Total income	21,788	21,742
Total costs	22,678	21,988
	<hr/>	<hr/>
Deficit	(890)	(246)
	<hr/> <hr/>	<hr/> <hr/>

Total income includes fundraising at the function amounting to £1,187 (2015 £1,061).

6. Teaser "100" Club

A net surplus of £5,940 (2015 £4,490) was generated during the year.

The surplus was again enhanced because a number of winners donated their prize to the Club.

7. Secretarial and sundry costs	2016	2015
	£	£
British Legion and, MNA Memorial Service wreaths	100	122
Bank charges	32	58
Committee Meetings	300	204
Secretarial, investment and administration costs	582	406
Mast lighting	-	450
	<hr/>	<hr/>
	1,014	1,240
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the Accounts For the year ended 31 December 2016

8. Investments		Cost	Market Value
Equity funds		£	£
3,000	BT Group ordinary at 5p	6,586	11,007
2,851	Chesnara Plc ordinary at 5p	5,371	10,413
5,750	Lloyds Banking Group ordinary at 1p	4,027	3,594
200	Royal Dutch Shell B ordinary at E0.07	3,422	4,708
500	Scottish & Southern Energy ordinary at 50p	6,016	7,765
		<u>25,422</u>	<u>37,487</u>
Investment companies			
800	Blackrock World MI ordinary at 5p	4,884	2,692
1,500	City of London Investment Trust ordinary at 25p	5,799	6,090
950	Herald Investment Trust ordinary at 25p	5,063	8,384
		<u>15,746</u>	<u>17,166</u>
Unit Trusts			
1,000	Jupiter Unit Trust	2,277	5,550
		<u>43,445</u>	<u>60,203</u>
Portfolio at 31 December 2016			
		2016	2015
		£	£
	Investments at cost	<u>43,445</u>	<u>48,356</u>
	Investments at market value	<u>60,203</u>	<u>52,447</u>
	Unrealised surplus at 31 December 2016 - Cumulative	<u>16,758</u>	<u>4,091</u>

The increase in the market value of the retained portfolio during the year ended 31 December 2016 amounted to £2,120 (2015 £595 Decrease). This has been credited to the Income and Expenditure Account, together with realised gains, which together result in a credit of £3,284 (2015 £595 Decrease). Investment additions during the year amounted to £13,526.

9. Silver and trophies

These are valued at a nominal £1,000 (2015 £1,000) for the purpose of the accounts.

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Notes to the Accounts For the year ended 31 December 2016

10.	Fixtures and office equipment		2016
			£
	Cost		
	At 31 December 2015		3,475
	Additions		-
			<hr/>
	At 31 December 2016		3,475
			<hr/>
	Depreciation		
	At 31 December 2015		3,475
	Provision for year		-
			<hr/>
	At 31 December 2016		3,475
			<hr/>
	Net book value		
	At 31 December 2016		-
			<hr/> <hr/>
	At 31 December 2015		-
			<hr/> <hr/>
11.	Debtors	2016	2015
		£	£
	Annual Dinner 2016 - Payment in advance	-	1,000
	Expenses in advance	-	390
		<hr/>	<hr/>
		-	1,390
		<hr/> <hr/>	<hr/> <hr/>
12.	Creditors	2016	2015
		£	£
	Amounts due for shop stocks and accrued expenditure	500	1,774
	Deferred expenditure - Balance of PB Kingsford legacy	410	530
		<hr/>	<hr/>
		910	2,304
		<hr/> <hr/>	<hr/> <hr/>

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 ten dinners up to 2016, port and associated corkage costs amounted in total to £2,590. 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.

13. Taxation

Investment income up to 5 April 2016 was received with a 10% tax credit on dividends, which are exempt from corporation tax, or 20% deducted from bank interest, with no further liability due. Thereafter no tax is deducted from interest received and gross interest will be taxed at the corporation tax rate.

THE CONWAY CLUB

Statement of Committee's Responsibilities For the year ended 31 December 2016

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 LLP

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 31 December 2016**

In accordance with the engagement letter, we have prepared for your approval the financial information of The Conway Club for the year ended 31 December 2016 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/regulations.

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 31 December 2016 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.

MITCHELL CHARLESWORTH LLP
Chartered Accountants
5 Temple Square
Temple Street
Liverpool
L2 5RH

7 October 2017