

Registered number: 33983

**THE OLD EDWARDIANS' ASSOCIATION**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2005**

  
**Clement Keys**  
CHARTERED ACCOUNTANTS



## THE OLD EDWARDIANS' ASSOCIATION

### DIRECTORS' REPORT

31 DECEMBER 2005

The general committee present its report and the audited financial statements for the year ended 31 December 2005.

#### Statement of officers' responsibilities

Company law requires the officers 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 year. In preparing those accounts, the officers are required to

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) 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 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 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.

#### Report of the General Committee for 2005

The Committee has not afforded a current market valuation of the Freehold Land and Buildings shown in the Financial Statements as at the 31 December 2005 as it does not consider that the cost of making such a valuation would be justified in the context of the usefulness of the information provided.

The Committee has met on six occasions during the Financial Year and the Annual General Meeting was held on 14 September 2005. All the normal business was conducted with the customary report from the Chief Master covering the activity at the School.

Two issues of the Gazette were published and distributed to members. Once again it is pleasing to report an increase in the membership over the year.

The Annual Christmas Supper held at Streetsbrook Road proved to be as enjoyable as ever and monthly lunches have continued to be held at the Clarendon Suite in Edgbaston.

The Committee has maintained its policy of providing financial support for pupils past and present seeking to broaden their knowledge and experience and has also continued to support the Chief Master in his Bursary Appeal.

At Streetsbrook Road the Sports Club has carried on its programme of improving the facilities at the Memorial Ground, these and the sporting facilities being much admired by all visitors to Streetsbrook Road. Both the Rugby and Cricket Sections have held lunches for their Vice Presidents, friends and visiting clubs.

**THE OLD EDWARDIANS' ASSOCIATION**

**DIRECTORS' REPORT**

**31 DECEMBER 2005**

**Directors**

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

R P Thomson  
A Baxter  
M Baxter  
D Benson  
S Talboys

**Auditors**

Clement Keys have agreed to offer themselves for re-appointment as auditors of the company.



6 April 2006

On behalf of the Board

R P M Thomson  
Chairman

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

We have audited the financial statements on page 4 to 9 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of the officers and auditors**

As described on page 2 the officers are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of 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 misstatement, whether caused by fraud, 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 the company's affairs as at 31 December 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

39/40 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1TS

*Clement Keys*

Clement Keys  
Chartered Accountants  
Registered Auditor

6 April 2006

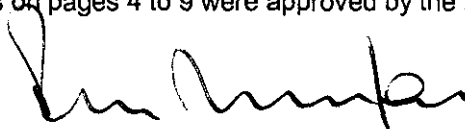
**THE OLD EDWARDIANS' ASSOCIATION**

**BALANCE SHEET**

**AT 31 DECEMBER 2005**

	Note	2005		2004	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	2		43,288		43,288
Investments	3		340,922		287,852
			<hr/>		<hr/>
			384,210		331,140
<b>Current assets</b>					
Loan to Old Edwardians Sports Club (of which £3,000 (2004 £4,000) is due in more than one year)	4	4,000		5,000	
Stock		272		14	
Debtors		850		877	
Cash at bank and in hand		19,985		33,370	
			<hr/>		<hr/>
		25,107		39,261	
<b>Creditors:</b> amounts falling due within one year	5	(15,103)		(10,735)	
			<hr/>		<hr/>
<b>Net current assets</b>			10,004		28,526
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			394,214		359,666
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Parental contribution fund	6		263,088		240,355
Ground appeal fund	7		43,288		43,288
Other reserves	8		5,012		5,012
Profit and loss account	9		82,826		71,011
			<hr/>		<hr/>
			394,214		359,666
			<hr/>		<hr/>

The financial statements on pages 4 to 9 were approved by the board of directors on 6 April 2006



R P M Thomson  
Chairman

**THE OLD EDWARDIANS' ASSOCIATION**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

	<b>2005</b>		<b>2004</b>	
	£	£	£	£
<b>Income</b>				
Subscriptions		6,667		6,960
Interest and dividends received - note 11		11,065		11,965
		<u>17,732</u>		<u>18,925</u>
<b>Expenditure</b>				
Gazettes	6,488		6,960	
Less advertising receipts	(740)		(640)	
	<u>5,748</u>		<u>6,320</u>	
Postages	2,981		3,468	
Printing and stationery	1,121		1,627	
Insurance	(250)		250	
King Edward's School Club and Prize	100		100	
Donations to Old Edwardians Sports Club Ltd	866		845	
Other donations	900		600	
(Surplus)/Deficit on social events	(48)		303	
Incidentals	543		490	
Computer charges	2,355		3,846	
Auditors' remuneration	687		670	
Professional fees	936		863	
	<u>15,935</u>		<u>19,382</u>	
	1793		(457)	
<b>Other income</b>				
Transfer from Parental				
Contribution fund - note 6	9,912		9,177	
Profit on disposal of investments	<u>927</u>		<u>17,232</u>	
	<u>10,839</u>		<u>26,409</u>	
Surplus for the year before taxation		12,632		25,952
Taxation - note 10		(817)		(1,051)
		<u>11,815</u>		<u>24,901</u>
<b>Surplus for year – note 9</b>				

**THE OLD EDWARDIANS' ASSOCIATION**  
**RECONCILIATION OF MOVEMENTS IN FUNDS AND RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

	2005 £	2004 £
Surplus for the year	11,815	24,901
Parental contributions retained in year	22,733	21,564
	<hr/>	<hr/>
Increase in funds and reserves in year	34,548	46,465
Balances brought forward	359,666	313,201
	<hr/>	<hr/>
Balances carried forward	394,214	359,666
	<hr/>	<hr/>

**THE OLD EDWARDIANS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2005**

**1 Accounting policies**

**Basis of accounting**

*The financial statements of the company are prepared under the historical cost convention and are in accordance with applicable accounting standards.*

*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**

*Subscriptions are not credited to the income and expenditure account until the year in which they are received. 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 will be carried forward over 12 years.*

*Parental contributions are credited directly to the appropriate reserve account. These funds are transferred to the Income and Expenditure Account when the pupils to whom the contributions relate become members of the Association.*

**2 Tangible fixed assets**

	2005 £	2004 £
Freehold land and buildings at Streetsbrook Road, Solihull at cost at 1 January 2005 and 31 December 2005	43,288 <hr/>	43,288 <hr/>



**THE OLD EDWARDIANS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2005**

<b>3</b>	<b>Investments</b>	<b>2005</b>	<b>2004</b>
		£	£
	<b>Cost</b>		
	At 1 January 2005	287,852	265,312
	Additions	108,485	134,587
	Disposals	(55,415)	(112,047)
		<hr/>	<hr/>
	At 31 December 2005	340,922	287,852
		<hr/>	<hr/>
	The middle market value is	457,276	327,218
		<hr/>	<hr/>
<b>4</b>	<b>Loan to Old Edwardians Sports Club Limited</b>	<b>2005</b>	<b>2004</b>
		£	£
	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	3,000	4,000
		<hr/>	<hr/>
		4,000	5,000
		<hr/>	<hr/>
<b>5</b>	<b>Creditors:</b> amounts falling due within one year	<b>2005</b>	<b>2004</b>
		£	£
	Commutated subscriptions	8,348	9,073
	Accruals	6,755	1,662
		<hr/>	<hr/>
		15,103	10,735
		<hr/>	<hr/>
<b>6</b>	<b>Parental contribution fund</b>	<b>2005</b>	
		£	
	At 1 January 2005		240,355
	Received in year		32,645
	Transfer to Income and Expenditure account		(9,912)
			<hr/>
	At 31 December 2005		263,088
			<hr/>

**THE OLD EDWARDIANS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2005**

<b>7</b>	<b>Ground Appeal Fund</b>	<b>2005</b> £	<b>2004</b> £
	At 1 January 2005 and 31 December 2005	43,288	43,288
		<hr/>	<hr/>
<b>8</b>	<b>Other reserves</b>	<b>2005</b> £	<b>2004</b> £
	Browett Fund at 1 January 2005 and 31 December 2005	5,012	5,012
		<hr/>	<hr/>
<b>9</b>	<b>General fund</b>		<b>2005</b> £
	At 1 January 2005		71,011
	Surplus for the year		11,815
	At 31 December 2005		<hr/> 82,826
			<hr/>
<b>10</b>	<b>Taxation</b>	<b>2005</b> £	<b>2004</b> £
	Corporation tax on profit on ordinary activities at 0% (2004 2.2%)	-	237
	Tax credit on franked investment income	854	817
	Over provision for previous year	(37)	(3)
		<hr/> 817	<hr/> 1,051
		<hr/>	<hr/>
<b>11</b>	<b>Interest and dividends received</b>		
	Interest and dividends received include £8,863 (2004 £8,170) in respect of listed investments.		