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# OLD PAULINE CLUB



Unaudited Accounts for the year ended  
31 August 2018

# OLD PAULINE CLUB

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HONORARY TREASURER'S REPORT  
For the year ended 31 August 2018

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The result for the year shows a surplus of £606,640 ( 2017 £22,046) which reflects the profit on the sale of the development at 1 St. Nicholas Road, as well as the income generation from the two rental properties – Milton cottage and 66 Speer Road.

I am also able to report an uplift in the Club's investment portfolio for the year of £16,530 ( 2017 £28,390).

The Club is pleased to announce that, from September 2018, it has committed to paying a bursary to the School for the next five years of approximately £25,000 per annum to meet the fees of one boy.

Unfortunately the Club has been unable to make any progress on its intention to convert into a company limited by guarantee. This is due, in whole, to HMRC refusing to give tax clearance because of the Club's assets being secured against its borrowings. The Executive Committee are looking at other ways to mitigate the ever increasing responsibilities of the Club's Trustees.

Finally to tidy up the balance sheet, the balances on various subsidiary reserve funds have been transferred to the main reserve fund.

N.St.J. Brooks  
Honorary Treasurer

19 March 2019

ACCOUNTANT'S REPORT TO THE MEMBERS  
For the year ended 31 August 2018

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We have reviewed the financial statements of The Old Pauline Club for the year ended 31 August 2018 which comprise the income and expenditure account, the balance sheet and related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

The Main Committee is responsible for implementing the financial policy of the Club including the investment of funds of the Club and in particular for the preparation of the financial statements.

We have been appointed to carry out a review of the accounts, without carrying out an audit and report our findings to you.

Following our review of the financial statements we confirm that they have been properly compiled from the underlying records of the Club.

Kreston Reeves LLP  
Third Floor  
24 Chiswell Street  
London  
EC1Y 4YX

INCOME AND EXPENDITURE ACCOUNT  
For the year ended 31 August 2018

	Note	Y/e 31 Aug 2018 £	Y/e 31 Aug 2017 £
<b>Operating Income</b>			
Donations		94,908	80,490
Other income	2	24,923	9,722
		<u>119,831</u>	<u>90,212</u>
<b>Operating Expenditure</b>			
Social activities	3	131	3,803
Books and publications		20,030	22,970
Leavers' gifts		3,311	717
Bank charges		431	(1,100)
Other costs		1,860	5,860
Web design		960	4,650
Insurance		4,006	3,518
Legal and professional		23,118	38,629
Depreciation		217	217
		<u>54,064</u>	<u>79,264</u>
<b>Operating (deficit)/surplus</b>		<b>65,767</b>	10,948
Rental and investment income	4	60,184	19,686
Interest Payable		(31,576)	-
Profit on sale of property		626,138	-
<b>Surplus for the year before taxation</b>		<b>720,513</b>	30,634
Taxation	5	(113,873)	(8,588)
<b>Surplus for the year</b>		<b>606,640</b>	22,046

The notes on pages 7 to 12 form part of these financial statements

OLD PAULINE CLUB

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STATEMENT OF RECOGNISED GAINS AND LOSSES  
For the year ended 31 August 2018

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	Note	Y/e 31 Aug 2018 £	Y/e 31 Aug 2017 £
Profit for the financial period		606,640	22,046
Unrealised (deficit)/surplus on revaluation of investments	13	16,530	28,380
<b>Total recognised (losses)/gains relating to the period</b>		<b>623,170</b>	<b>50,426</b>

The notes on pages 7 to 12 form part of these financial statements

OLD PAULINE CLUB

BALANCE SHEET

As at 31 August 2018

	Note	31-Aug-18 £	31-Aug-17 £
<b>Fixed assets</b>			
Investments	6	313,767	297,237
Investment property developments	7	1,347,019	1,361,030
Tangible assets	8	24,478	24,694
Loans	9	1,571,988	1,919,064
		<u>3,257,252</u>	<u>3,602,025</u>
<b>Current assets</b>			
Stocks		2,119	1,670
Debtors		23,334	7,621
Cash at bank	10	383,177	122,230
		<u>408,630</u>	<u>131,521</u>
Creditors: amounts falling due within one year	11	(130,710)	(59,454)
Net current assets		<u>277,920</u>	<u>72,067</u>
Creditors: amounts falling due after one year	12	(1,549,457)	(2,311,547)
<b>Total assets less liabilities</b>		<u><b>1,985,715</b></u>	<u><b>1,362,545</b></u>
<b>Representing:</b>			
<b>Members funds</b>			
Reserves	13	1,713,036	866,499
Revaluation reserve	13	272,679	256,149
Reserve fund	14	-	29,173
Cyril Searle memorial fund	15	-	78
Colets ground appeal fund	16	-	97,633
Colets swimming pool appeal fund	17	-	113,013
		<u>1,985,715</u>	<u>1,362,545</u>

These accounts were approved by the Main Committee on 19 March 2019 and signed on their behalf by

N.St.J. Brooks  
Honorary Treasurer

R.J. Smith  
President

The notes on pages 7 to 12 form part of these financial statements

NOTES TO THE ACCOUNTS  
for the year ended 31 August 2018

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1 ACCOUNTING POLICIES

**Basis of accounting**

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

**Donations**

Donations represent the amounts donated to the OPC, principally, by The School. Donations received are recognised in the Income and Expenditure account in the year of receipt.

**Tangible fixed assets and depreciation**

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected life as follows:

Computer equipment	-	33.3% per annum on cost
Film	-	25% per annum on cost
Chairs of office	-	10% per annum on cost

**Fixed asset investments**

Listed investments are valued at their mid-market value and unit trusts are valued at their mid bid/offer price at the balance sheet date.

**Investment properties**

The investment properties are shown at cost with interest on the finance capitalised. There is no intention to revalue these properties as the purpose is to provide income for the Club for the foreseeable future.

**Taxation**

The Club is treated for corporation tax as being mutually trading and is not liable to UK corporation tax on any operating surplus, merely on its investment income.

**Stocks**

Stocks are valued at the lower of cost or net realisable value.



NOTES TO THE ACCOUNTS  
for the year ended 31 August 2018

2	OTHER INCOME	2018	2017
		£	£
	Advertising	6,247	8,750
	Surplus on sale of merchandise and events	40	593
	Facility fee on Colets loan	18,636	-
	Other income	-	379
		<u>24,923</u>	<u>9,722</u>

3 SOCIAL ACTIVITIES

Social activities resulted in a loss of £131 (2017: loss £3,803). Details of the events are as follows:

Events	Revenue	Costs	Surplus/ (Deficit)	
			2018	2017
Feast/Reception	9,445	9,526	(81)	(481)
Annual Dinner	3,408	3,378	30	(2,796)
Supper Evening	1,825	1,872	(47)	15
Cambridge Dinner	1,375	1,658	(283)	(643)
Oxford Dinner	-	-	-	(465)
Media Dinner	-	-	-	1,360
Medical Dinner	-	-	-	(1,436)
Real estate Evening	-	-	-	99
Whitting Lecture	1,103	300	803	-
Presidents Lunch	-	553	(553)	-
10 Year Reunion	-	-	-	594
40 Year Reunion	-	-	-	251
25 Year Reunion	-	-	-	116
20 Year Reunion	-	-	-	(30)
Earliest Vintage Lunch	-	-	-	(398)
Cruickshank Cotter Lecture	-	-	-	(424)
Summer Festival	-	-	-	435
	<u>17,156</u>	<u>17,287</u>	<u>(131)</u>	<u>(3,803)</u>

Since 1 September 2017 all bookings for the Club's reunions have been made through the School's on line portal with the resultant income and expenditure being recorded in the School's accounting records. The resultant profit on the reunions for 10,25 and 40 years was £ 992 which will be paid to the Club by the School.

4	RENTAL AND INVESTMENT INCOME	2018	2017
		£	£
	Income from Investments	7,468	7,063
	Bank Interest	201	180
	Rental Income	52,515	12,443
		<u>60,184</u>	<u>19,686</u>

5	TAXATION	2018	2017
		£	£
	Tax charge for the year	113,873	2,588
	Tax charge for the prior year	-	6,000
		<u>113,873</u>	<u>8,588</u>

NOTES TO THE ACCOUNTS  
for the year ended 31 August 2018

6 INVESTMENTS (at valuation)	At 31 Aug 2018	At 31 Aug 2017
	£	£
At 1 September 2017	297,237	268,857
Additions	2,632	3,686
Disposals	-	-
Revaluation	13,898	24,694
<b>At 31 August 2018</b>	<b>313,767</b>	<b>297,237</b>
Representing:		
	No. Shares	
Astra Zeneca Group - Ord (25p)	442	20,071
BAE Systems plc - Ord (2.5p)	2,143	13,019
Fidelity-Moneybuilder Growth Fund - units	146,319	114,940
GlaxoSmithKline - Ord (10p)	780	11,961
Jupiter Merlin Growth Portfolio Fund - units	2,318	9,666
Jupiter Merlin Worldwide Portfolio Fund - units	12,361	37,186
Legal & General Group plc - Ord (2.5p)	25,200	65,570
Royal Dutch Shell plc - (B Ord)	1,149	24,824
	<b>313,767</b>	<b>297,237</b>
Comprising:		
Investments at cost	92,515	89,883
Revaluation	221,252	207,354
	<b>313,767</b>	<b>297,237</b>

7 INVESTMENT PROPERTY	At 31 Aug 2018	At 31 Aug 2017
	£	£
At 1 September 2017	1,361,030	439,413
Additions	13,714	875,162
Disposals	(27,725)	-
Capitalised interest	-	46,455
<b>At 31 August 2018</b>	<b>1,347,019</b>	<b>1,361,030</b>

Investment Property comprises the development expenditure in respect of the building developments at Summer and Speer Roads.

8 TANGIBLE FIXED ASSETS	Freehold	Computer Equipment	Film	Chains of Office	Total
	£	£	£	£	£
Cost:					
At 1 September 2017	24,076	5,802	11,287	2,167	43,332
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 August 2018</b>	<b>24,076</b>	<b>5,802</b>	<b>11,287</b>	<b>2,167</b>	<b>43,332</b>
Depreciation:					
At 1 September 2017	-	5,802	11,287	1,548	18,637
Charge for the year	-	-	-	217	217
<b>At 31 August 2018</b>	<b>-</b>	<b>5,802</b>	<b>11,287</b>	<b>1,765</b>	<b>18,854</b>
Net book value:					
<b>At 31 August 2018</b>	<b>24,076</b>	<b>-</b>	<b>-</b>	<b>402</b>	<b>24,478</b>
At 31 August 2017	24,076	-	-	618	24,694

Freehold property comprises the sports ground at Thames Ditton.

By a new lease dated 27 April 2015, the sports ground is leased to Thames Ditton Sports and Squash Club Ltd for a period expiring 25 June 2041 at a peppercorn until 2021, after which the rent will be £23,500 pa linked to RPI.

NOTES TO THE ACCOUNTS  
for the year ended 31 August 2018

9 LOANS - Colets	Ground Appeal £	Swimming Pool £	Additional £	Building £	TOTAL £
At 1 September 2017	105,713	112,610	195,000	1,505,741	1,919,064
Additions	-	-	-	-	-
Repayments	-	-	(10,000)	(337,076)	(347,076)
At 31 August 2018	<u>105,713</u>	<u>112,610</u>	<u>185,000</u>	<u>1,168,665</u>	<u>1,571,988</u>

Note:

The above loans are primarily interest free and are repayable on demand, but can become interest bearing in certain circumstances under the provisions of the loan arrangements.

10 CASH AT BANK	At 31 Aug 2018 £	At 31 Aug 2017 £
Main Club Accounts	291,627	38,015
Trustee Club Accounts	91,550	84,215
	<u>383,177</u>	<u>122,230</u>

11 CREDITORS: AMOUNTS DUE WITHIN ONE YEAR	At 31 Aug 2018 £	At 31 Aug 2017 £
Other creditors	130,710	59,454
	<u>130,710</u>	<u>59,454</u>

12 CREDITORS: AMOUNTS DUE AFTER ONE YEAR	At 31 Aug 2018 £	At 31 Aug 2017 £
Bank Loans	1,549,457	2,311,547
	<u>1,549,457</u>	<u>2,311,547.00</u>

13 STATEMENT OF MOVEMENT ON RESERVES	Reserves £	Revaluation £
At 31 August 2017	866,499	256,149
Surplus for the year	606,640	
Revaluation		16,530
Transfer from Funds	239,897	
At 31 August 2018	<u>1,713,036</u>	<u>272,679</u>

The balances on the various Funds shown in notes 14,15,16 and 17 have been aggregated with the Club's reserves as no useful purpose exists for separate disclosure.

14 RESERVE FUND	At 31 Aug 2018 £	At 31 Aug 2017 £
At 31 August 2017	29,173	29,173
Transfer to reserves	(29,173)	-
At 31 August 2018	<u>0</u>	<u>29,173</u>

15 CYRIL SEARLE MEMORIAL FUND	At 31 Aug 2018 £	At 31 Aug 2017 £
At 31 August 2017	78	78
Transfer to reserves	(78)	-
At 31 August 2018	<u>0</u>	<u>78</u>

OLD PAULINE CLUB

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NOTES TO THE ACCOUNTS  
for the year ended 31 August 2018

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16	COLETS GROUND APPEAL FUND	At 31 Aug 2018 £	At 31 Aug 2017 £
	At 31 August 2017	97,633	97,633
	Transfer to reserves	<u>(97,633)</u>	<u>-</u>
	At 31 August 2018	<u>0</u>	<u>97,633</u>
17	COLETS SWIMMING POOL APPEAL FUND	At 31 Aug 2018 £	At 31 Aug 2017 £
	Donations and loans received		
	At 31 August 2017	113,013	113,013
	Transfer to reserves	<u>(113,013)</u>	<u>-</u>
	At 31 August 2018	<u>0</u>	<u>113,013</u>