

# NATIONAL SECULAR SOCIETY

Founded 1866

Financial Statements

31 March 2002



# **National Secular Society**

**Company No. 1418145**

## **Members of Council of Management**

Norman Bacrac  
Dan Bye  
Denis Cobell

Barry Duke  
Jim R Herrick  
Jennifer Jeynes

Surendra N Lal  
Alan Lord  
Terry Sanderson

## **Secretary**

Keith Porteous Wood FCCA

## **Registered Office**

25 Red Lion Square, London WC1R 4RL

## **Auditors**

Hunt Blake, Chartered Accountants  
Jubilee House, The Oaks, Ruislip, Middlesex HA4 7LF

## **Bankers**

HSBC Bank Plc  
31 Holborn, London EC1N 2HR  
and  
Cater Allen Limited  
20 Birchin Lane, London EC3V 9DJ

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# National Secular Society

## Report of the Council of Management for the year ended 31 March 2002

The Council of Management presents its report and the financial statements for the year ended 31 March 2002.

### Council of Management

The management of the company is vested in the council of management, the members of which constitute the directors of the company for the purposes of company law. During the year the following were members of the council of management:

Norman Bacrac	Barry Duke	Surendra N Lal
Dan Bye	Jim R Herrick	Alan Lord
Denis Cobell	Jennifer Jeynes	Terry Sanderson

### Activities

The principal activity of the company is the promotion of Secularism. This is achieved through:

- media activities;
- representations to Parliament, the Government and official bodies; and
- the publication of booklets and statements.

The Society also receives subscriptions and donations from members, and makes and holds investments from which income is received.

### Responsibilities of the Members of Council of Management

Company law requires the members of council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing those financial statements, the members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The members of the council 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

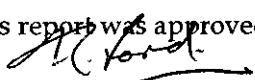
### Auditors

The auditors, Hunt Blake, have expressed their willingness to be re-appointed at the next annual general meeting.

### Small company

This report has been prepared in accordance with the special provisions applicable to small companies within Part VII of the Companies Act 1985.

This report was approved by the council of management on 2 September 2002 and signed on its behalf.

  
A C Lord - Member of Council of Management

# National Secular Society

## Independent Auditors Report to the Members of

### National Secular Society

We have audited the financial statements of National Secular Society for the year ended 31 March 2002 which comprise the Income & Expenditure Account together with the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

#### Respective responsibilities of directors and auditors

As described in the report of the council of Management, the members of council are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the report of the Council of Management, is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding transactions with the company by members of the council of management are not disclosed.

We read the report of the Council of Management and consider the implications for our report if we become aware of any apparent misstatements within it.

#### Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 judgments made by the members of council 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 or 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 March 2002 and of the operating result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hunt Blake



Registered auditors

Ruislip

6 September 2002

**National Secular Society**  
**Income and Expenditure Account**  
**For the year ended 31 March 2002**

	<i>Note</i>	2002 £	2001 £
Income	2	231,762	91,155
Administration expenses		( 90,319)	( 64,608)
Operating surplus	3	141,443	26,547
Interest receivable		15,231	9,751
(Loss) / Surplus on disposal of investments		( 8,427)	10,262
Surplus on ordinary activities before tax		148,247	46,560
Tax on ordinary activities	4	-	-
Surplus for the financial year		148,247	46,560
Legacies and life memberships transferred to general reserve	10	(192,242)	( 56,014)
Retained surplus brought forward		242,489	251,943
Retained surplus carried forward		<u>£ 198,494</u>	<u>£ 242,489</u>

**Statement of Total Recognised Gains and Losses**

**For the year ended 31 March 2002**

	2002	2001
Surplus for the financial year	148,247	46,560
Unrealised surplus on revaluation of property	75,000	303,144
Total gains and losses recognised since last financial statements	<u>£ 223,247</u>	<u>£ 349,704</u>

The notes on pages 5 to 8 form part of these financial statements.

# National Secular Society

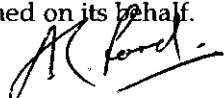
## Balance Sheet

31 March 2002

	Note	2002 £	2001 £
<b>Fixed assets</b>			
Tangible fixed assets	5	456	161
Investment properties	6	550,000	475,000
Investments	7	454,917	409,156
		<u>£ 1,005,373</u>	<u>£ 884,317</u>
<b>Current Assets</b>			
Debtors	8	4,095	2,025
Cash at bank and in hand		358,515	261,784
		<u>362,610</u>	<u>263,809</u>
Less : Creditors falling due within one year	9	( 4,492)	( 7,882)
<b>Net Current Assets</b>		<u>£ 358,118</u>	<u>£ 255,927</u>
<b>Total assets less current liabilities</b>		<u>£ 1,363,491</u>	<u>£ 1,140,244</u>
<b>Capital and reserves</b>			
The company is one limited by guarantee, each member having a liability not exceeding £1.			
Reserves:			
General reserve	10	786,853	594,611
Revaluation reserve	11	378,144	303,144
Income and expenditure account		198,494	242,489
<b>Total reserves</b>		<u>£ 1,363,491</u>	<u>£ 1,140,244</u>

These financial statements have been prepared in accordance with the special provisions applicable to small companies within Part VII of the Companies Act 1985.

The financial statements were approved by the council of management on 2 September 2002 and signed on its behalf.



A C Lord - Honorary Treasurer and Member of Council of Management

The notes on pages 5 to 8 form part of these financial statements.

# **National Secular Society**

## **Notes to the financial statements**

**For the year ended 31 March 2002**

### **1 Accounting policies**

#### **Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### **Income**

Income comprises members donations and subscriptions, investment income, rent receivable and legacies. Members subscriptions, donations, life membership subscriptions, legacies and associated receipts are accounted for as received. Life membership subscriptions and legacies are transferred to the general reserve in the year of receipt

#### **Investment property**

The investment property is included in the financial statements at valuation in accordance with the requirements of Statement of Standard Accounting Practice 19. The standard also requires that the property is stated in the balance sheet at market value and that it is not depreciated.

Compliance with the standard constitutes a departure, in order to give a true and fair view, from the requirements of the Companies Act 1985.

#### **Investments**

The company's investments have been acquired over many years mainly through bequests, by members and supporters, of shares and similar securities. These are now actively managed with a view to maximising long term returns and are accordingly classified as fixed asset investments.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets, consisting of computer and office equipment, are stated at cost less depreciation. Depreciation is provided at the rate of 25% per annum on the straight line basis, which is calculated to write off the cost of the assets, less their estimated residual value, over their expected useful lives.

#### **Pensions**

The company does not operate a pension scheme but contributes towards employees' personal pension schemes. The pension cost represents contributions paid for the year.

#### **Leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to income and expenditure account as incurred.

# National Secular Society

## Notes to the financial statements

For the year ended 31 March 2002

### 2 Income

	2002 £	2001 £
Subscriptions, donations and sundry income	14,891	12,321
Rent	13,365	13,365
Investment income	11,264	9,455
Life membership	2,000	1,200
Legacies	190,242	54,814
	<u>£ 231,762</u>	<u>£ 91,155</u>

### 3 Operating result

	2002 £	2001 £
This is stated after charging:		
Auditors remuneration	£ 1,645	£ 1,586
Depreciation	£ 263	£ 1,556
Pension costs	£ 3,079	£ 2,679

### 4 Taxation

The council considers that there is no liability to tax in respect of the year.

### 5 Tangible fixed assets

Cost	Opening balance	Additions	Disposals	Closing balance
Office and computer equipment	<u>£ 6,222</u>	<u>£ 558</u>	<u>-</u>	<u>£ 6,780</u>
Depreciation	Opening balance	Provision for year	Provision on disposals	Closing balance
Office and computer equipment	<u>£ 6,061</u>	<u>£ 263</u>	<u>-</u>	<u>£ 6,324</u>
Net book value	Opening balance			Closing balance
Office and computer equipment	<u>£ 161</u>			<u>£ 456</u>



# National Secular Society

## Notes to the financial statements

For the year ended 31 March 2002

### 6 Investment properties

	2002 £	2001 £
Valuation at beginning of year	475,000	-
Transfer from fixed assets at valuation	-	475,000
Change in valuation	75,000	-
Valuation at end of year	<u>£ 550,000</u>	<u>£ 475,000</u>

The investment property, consisting of freehold land and buildings, was valued by Matthews & Son, an independent firm of chartered surveyors, on 10 July 2002 on an open market existing use basis.

### 7 Investments

	2,002		2,001	
	£ Cost	£ Market value	£ Cost	£ Market value
Listed	440,087	471,721	394,326	485,476
Unlisted	14,830	11,566	14,830	13,500
	<u>£ 454,917</u>	<u>£ 483,287</u>	<u>£ 409,156</u>	<u>£ 498,976</u>

### 8 Debtors

	2002 £	2001 £
Amounts falling due within one year:		
Corporation tax	2,401	1,925
Prepayments and accrued income	1,594	-
Other debtors	100	100
	<u>£ 4,095</u>	<u>£ 2,025</u>

### 9 Creditors

	2002 £	2001 £
Amounts falling due within one year:		
Accruals and deferred income	4,408	7,623
Other creditors	84	259
	<u>£ 4,492</u>	<u>£ 7,882</u>

### 10 General reserve

	2002 £	2001 £
Balance brought forward	594,611	538,597
Legacies and life memberships transferred from accumulated income	192,242	56,014
Balance carried forward	<u>£ 786,853</u>	<u>£ 594,611</u>

# National Secular Society

## Notes to the financial statements

For the year ended 31 March 2002

### 11 Revaluation reserve

	2002 £	2001
Balance brought forward	303,144	-
Change in valuation of property	75,000	303,144
Balance carried forward	<u>£ 378,144</u>	<u>£ 303,144</u>

### 12 Related party transactions

During the year the company paid £2,450 to Mr T Sanderson, a member of the council of management, for services supplied by him to the company on terms substantially below normal market rates.

During the year the company entered into a lease with the South Place Ethical Society for office space at an annual cost of £5,500 under normal commercial terms. Mr Norman Bacrac, a member of the council of management, is also a trustee of the South Place Ethical Society.

### 13 Operating lease commitments

At 31 March 2002 the company had annual commitments under non cancellable operating leases as follows:

	2002 £	2001 £
Expiring between one and five years	<u>£ 5,500</u>	<u>-</u>

# National Secular Society

## Schedule of overheads

For the year ended 31 March 2002

		2002 £	2001 £
<b>Employment costs</b>			
Salaries	38,005		26,788
Employers National Insurance	3,804		2,735
Pension contributions	3,079		2,679
Recruitment costs	633		-
		45,521	32,202
<b>Office and administration</b>			
Red Lion Square - Rent and service charges	5,500		5,125
Stationery, printing, bulletin and information dissemination	9,695		7,384
Telephone, communications and internet costs	2,502		2,504
Postage	3,242		2,505
Equipment repairs, software support and services	7,203		793
Equipment depreciation	263		1,556
Travel	1,917		1,324
Meeting expenses	611		1,257
Affiliation fees and external sponsorship	1,651		930
		32,584	23,378
<b>Professional and financial costs</b>			
Accounting and taxation services	4,430		835
Audit costs	1,645		1,586
Legal expenses	451		794
Bank charges	29		29
		6,555	3,244
<b>Total administration costs</b>		84,660	58,824
<b>Operating costs - Theobalds Road</b>			
Surveyors fees	705		-
Insurance	1,030		784
Repairs and maintenance	3,924		5,000
		5,659	5,784
<b>Total overheads</b>		£ 90,319	£ 64,608