

THE BERMUDA SOCIETY
(Limited by Guarantee)
(Company No. 2180483)

REPORT AND ACCOUNTS

31ST DECEMBER 1994



**THE BERMUDA SOCIETY
(Limited by Guarantee)**

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**THE BERMUDA SOCIETY
(Limited by Guarantee)**

REPORT OF THE DIRECTORS

Committee Members and Directors: The Rt. Hon. The Viscount Dunrossil, CMG
Sir Peter Gadsden, GBE., AC
The Hon. Sir David Gibbons, KBE, JP
Michael D. Stanford-Tuck
John G. Curtis
Derek Brightwell
John D'A Meredith
Ralph A. Stockwell
Peter Lerwill
Henry B. Smith
Rodney D.P. Michell
David W. Haigh

The directors submit their report and the audited accounts of the Society for the year ended 31st December 1994.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

STATUS

The company was incorporated on 19th October 1987 as a company limited by guarantee.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activity is to promote and advance, in the United Kingdom, Bermuda and elsewhere, the mutual interests and understanding of the peoples of Bermuda and the United Kingdom.

The secretariat facilities established in London being used to promote Bermuda's image and to represent Bermuda's interests in the areas of finance, commerce and politics as well as to handle enquiries other than tourism. The cash resources of the society reflect the advance payment of the contribution made by the Bermudian Government towards the costs in providing these facilities over the coming year.

Your committee considers the current state of the society's financial affairs to be satisfactory.

**THE BERMUDA SOCIETY
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REPORT OF THE DIRECTORS (continued)

RESULTS

The results for the year are set out on page 4.

Under the terms of the Society's Memorandum of Association no dividend can be paid.

DIRECTORS

The names of the current directors, all of whom represented the Committee under the terms of the Society's Articles of Association, are stated at the head of this report.

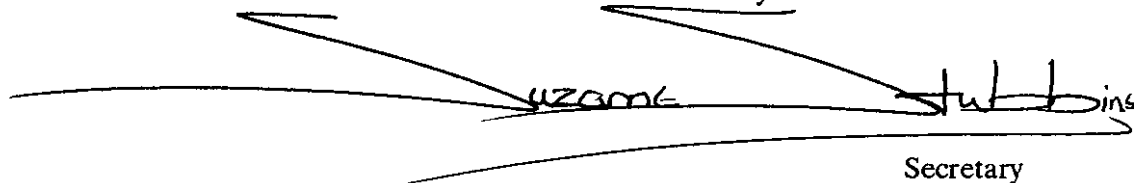
Mr. Barry Shailer resigned on 1st August 1994, Mr. Henry Smith was appointed a director on 14th October 1994, Dr. Christopher Honeyborne resigned on 19th January 1995, Mr. Rodney Michell was appointed a director on 19th January 1995 and Mr. David Haigh was appointed a director on 27th January 1995.

AUDITORS

A resolution to re-appoint Kingston Smith as auditors to the Society will be proposed at the Annual General Meeting.

Registered Office:
Five Trees,
Wood Lane,
Stanmore.
HA7 4JZ

By Order of the Board


Secretary

16 MAY 1995

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
THE BERMUDA SOCIETY
(Limited by Guarantee)**

We have audited the accounts on pages 4 to 7 which have been prepared following the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

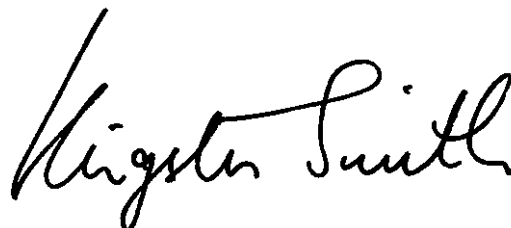
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1994 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Devonshire House
146 Bishopsgate
London
EC2M 4JX

KINGSTON SMITH
Chartered Accountants and Registered Auditors

17th May 1995.

THE BERMUDA SOCIETY
(Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
TURNOVER	3	27,724	28,004
Administrative expenses		33,577	21,468
OPERATING DEFICIT	4	(5,853)	6,536
Bank interest receivable		893	1,152
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,960)	7,688
Taxation on interest receivable	6	223	288
DEFICIT FOR THE YEAR		(5,183)	7,400
RETAINED SURPLUS BROUGHT FORWARD		25,448	18,048
RETAINED SURPLUS CARRIED FORWARD		<u>£ 20,265</u>	<u>£ 25,448</u>

There were no recognised gains or losses or other movements in the society's funds other than as shown above.

THE BERMUDA SOCIETY
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BALANCE SHEET

AT 31ST DECEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
FIXED ASSETS			
Tangible assets	7	751	281
CURRENT ASSETS			
Stock of ties, at cost		94	94
Debtors	8	26	26
Cash at bank		32,927	39,343
		<u>33,047</u>	<u>39,463</u>
CREDITORS - Amounts falling due within one year	9	(13,533)	(14,296)
NET CURRENT ASSETS		<u>19,514</u>	<u>25,167</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 20,265</u>	<u>£ 25,448</u>
CAPITAL AND RESERVES			
ACCUMULATED FUND		<u>£ 20,265</u>	<u>£ 25,448</u>

Approved by the Board on
and signed on its behalf by:

16 MAY 1995

[Signature]
[Signature]

**THE BERMUDA SOCIETY
(Limited by Guarantee)**

NOTES TO THE ACCOUNTS

31ST DECEMBER 1994

1. STATUS OF COMPANY

The company is Limited by Guarantee. The liability of the members in the event of the Society being wound up is an amount not exceeding the annual subscription applying at that time.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Provision for depreciation of tangible fixed assets is made on the reducing balance basis at rates calculated to write off the cost of the assets over their estimated working lives. The rate of depreciation applied to tangible fixed assets was 20%.

Subscriptions

Subscriptions are treated as income in the accounting period to which they relate.

Taxation

The Society is treated by the Inland Revenue as a mutual body and thereby is not liable for Corporation Tax on any surplus arising from transactions with its members. The Society, however, remains accountable for taxation liabilities arising from investment income and any other profit arising other than from membership activities.

3. TURNOVER

	<u>1994</u>	<u>1993</u>
	£	£
Turnover is derived from the following sources:		
Subscriptions	1,745	1,840
Contributions from Bermuda Government	28,639	27,556
	<u>30,384</u>	<u>29,396</u>
Function income	6,639	4,999
Function expenses	(9,299)	(6,391)
	<u>(2,660)</u>	<u>(1,392)</u>
	<u>£ 27,724</u>	<u>£ 28,004</u>

4. OPERATING DEFICIT

Operating deficit was arrived at after charging:		
Secretary/treasurer's salary	16,422	15,092
Directors remuneration	-	-
Depreciation	188	70
	<u>16,610</u>	<u>15,162</u>

The salary payable to the Society's secretary/treasurer is funded by contributions from the Bermuda Government.

THE BERMUDA SOCIETY
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NOTES TO THE ACCOUNTS
31ST DECEMBER 1994

5. EMPLOYEES

The company has no employees other than its directors, all of whom are members of the Committee, and the secretary/treasurer.

6. TAXATION ON INTEREST RECEIVABLE

Corporation tax based on the bank interest receivable for the year at a rate of 25%

<u>1994</u>	<u>1993</u>
£ 223	£ 288

7. TANGIBLE FIXED ASSETS

Cost

At 1st January 1994
Additions in the year

At 31st December 1994

Depreciation

At 1st January 1994
Charge for year

At 31st December 1994

Net book value

At 31st December 1994

At 31st December 1993

Office
Equipment
£

765
658

1,423

484
188

672

£ 751

£ 281

8. DEBTORS

Prepayments

<u>1994</u>	<u>1993</u>
£ 26	£ 26

9. CREDITORS - Amounts falling due within one year

Other creditors
Accruals and deferred income

-	85
13,533	14,211
<u>£ 13,533</u>	<u>£ 14,296</u>