

REG NO: 5679997

**THE FRIENDS OF THE BRITISH POSTAL
MUSEUM & ARCHIVE**

(The Friends of the BPMA)
(Company Limited by Guarantee)
(Registered Charity No 1113569)

FINANCIAL STATEMENTS

For the Year Ended

31 March 2009

The Friends of the British Postal Museum & Archive
(The Friends of the BPMA)
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Financial Statements

For the Year Ended 31 March 2009

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LEGAL AND ADMINISTRATIVE INFORMATION

For the Year Ended 31 March 2009

DIRECTORS AND TRUSTEES: *The Directors of the charitable company (“the Charity”) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.
The Trustees serving during the year ended 31 March 2009 and since then are as follows:*

D C Brunning
D Conboy (*resigned 2 December 2008*)
Jean Stephanie Elley (*appointed 2 December 2008*)
Avice Harms
P S Hatten
M A Kearnes
C G Macey
G H Morgan
C R H Parsons
R J West
Patricia Jane Wortley

SECRETARY: C R H Parsons

REGISTERED OFFICE AND PRINCIPAL ADDRESS: Freeling House, Phoenix Place
London, WC1X 0DL

REGISTERED NUMBER: 5679997 (England & Wales)

CHARITY NUMBER: 1113569

EXAMINER: Abingdon Accountancy Centre Ltd
23 Stockey End, Abingdon, OX14 2NF

BANKERS: CAF Bank Ltd
25 Kings Hill Avenue, Kings Hill
West Malling, ME19 4JQ

The Friends of the British Postal Museum & Archive
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REPORT OF THE TRUSTEES

For the Year Ended 31 March 2009

The Trustees are pleased to present their Report together with the Financial Statements for the year ended 31 March 2009.

Structure, Governance and Management

Governing Document

The Charity is a company limited by guarantee, incorporated on 19 January 2006 and placed on the Central Register of Charities on 5 April 2006. Prior to this date its forerunner was an unincorporated association, latterly with the same name. However, at the time of its formation on 10 April 1985 it was known as The Association of Friends of the National Postal Museum. The present Charity is governed by the Company's Memorandum and Articles of Association.

Recruitment and Appointment of Trustees

The Directors of the company are also Charity Trustees for the purpose of charity law. Generally Trustees are recruited from among the membership of the Charity, being selected for the knowledge and skill that they can contribute to its management and development. The Board of Trustees currently numbering 10 administers the Charity, one third of whom retire by rotation at each Annual General Meeting. Messrs G H Morgan, C R H Parsons and R J West retire by rotation at the AGM to be held on 1 December 2009 and being eligible offer themselves for re-election.

Trustee Training

To prepare new Trustees for their role as Trustees, the Charity relies upon literature provided by The Charity Commission plus briefings from existing Trustees.

Risk Management

The Trustees carry out an annual review of the risks, both financial and operational, that the Charity may face. At each meeting of the Board of Trustees the Board reviews the financial situation of the Charity.

Organisation Structure

The Board of Trustees meets about four times each year and as the Charity does not currently employ any staff all operating decisions are made by the Trustees.

Related Parties

The Charity has a very close relationship with The British Postal Museum & Archive (BPMA), the public identity of the Postal Heritage Trust (Registered as a charity in England and Wales, Charity No: 1102360, Company No: 4896056). To that end the Chief Executive of the Postal Heritage Trust or his representative attends all meetings of the Board of Trustees.

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REPORT OF THE TRUSTEES *(continued)*

Objectives and Activities

The Charity's objects are "to advance public education in the history and technology of postal communications by assisting in the establishment and maintenance of a British postal heritage museum and by the provision of financial or material assistance in its continued operation."

The Charity's activities that seek to achieve the above objects include:

- The Charity is a key consultative body that comments upon BPMA's strategies and plans as BPMA develops. Specifically the Charity will comment upon plans for the future British postal heritage museum, its displays and activities.
- The Charity seeks to act as a coordinating body with other postal heritage groups with the aim of bringing together cohesive support for BPMA's strategies.
- Its members promote the resources and facilities of BPMA among fellow collectors and through their contacts with other organisations, for example by giving talks to such organisations as U3A and Women's Institutes.
- Its members contribute articles to the Charity's own journal, *Cross Post*, and other collectors' magazines recording the results of research that they have undertaken at BPMA. As well as promoting BPMA such research activity adds to the collective knowledge of the history and technology of postal communication.
- Members act as extra eyes and ears for BPMA in the search for collections, individual items and artefacts that should be added to BPMA's collections and archives.
- The Charity will use its charitable status to develop support for all areas of volunteering linked to the work of BPMA. Volunteers will carry out a range of duties in accordance with the policies of BPMA.
- The Charity makes grants to BPMA to fund particular projects and is currently committed to funding the purchase of extra volumes for BPMA's Library. Funding comes from surpluses in the Charity's Income and Expenditure Account and from appeals to members to support specific projects.
- Members with specialist knowledge of aspects of philately and postal history act as consultants to BPMA in their specialisms.

Achievements and Performance

Since April 2004, when Royal Mail transferred the museum collections and responsibility for managing the Royal Mail Archive to the BPMA, the fortunes of what was then the unincorporated association have been revived. BPMA resumed a programme of exhibitions and public lectures; it also started holding Open Days at its Museum Store. In addition, it has developed partnerships with a number of heritage organisations including the Grampian Transport Museum and the Ironbridge Gorge Museums Trust. Publicity for these activities helped to raise the profile of the unincorporated association and led to a slow but steady increase in membership.

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REPORT OF THE TRUSTEES *(continued)*

Achievements and Performance *(continued)*

The decision of the Council of the former unincorporated association made in 2005 to relaunch its journal, *Cross Post*, as a full colour, A4 size publication was vindicated. Although for the first two years losses were incurred, the Charity's accounts for subsequent years have shown modest surpluses. The surplus for the year ended 31 March 2009 amounted to £435 (2008 – £1,187). Careful budgeting has led to the relatively satisfactory outcome. Sadly subscription income in the year ended 31 March 2009 was down at £4,460 (2008 – £5,106). The Trustees believe that the small decline in membership is only temporary and possibly linked to current economic difficulties. Continuing good publicity for BPMA in the philatelic press should help The Friends recruit more members. In accordance with a policy adopted by the former unincorporated association 10 percent of the annual surplus has been transferred to a restricted fund for the benefit of BPMA.

The BPMA recently finished re-cataloguing the books in its Library and is using donations by the Charity to BPMA's Library Fund to fill gaps in its stock that re-cataloguing has identified. As recognition of the Charity's donation, book plates funded out of the donations go into the volumes so purchased.

During the year individual members of the Charity have assisted BPMA in a number of ways including acting as invigilators at Open Days held at the Museum Store, assisting in manning BPMA's stand at Stampex, acting as liaison with local postal historians in relation to the Ironbridge project, assisting in cataloguing BPMA's collection of slogan postmark dies, writing biographies of various stamp designers for inclusion on BPMA's website, contributing to BPMA's Winter Open Day in December 2008 and serving on the Swindon Sub-Committee. Three of the Trustees serve on a steering committee encouraging students at Epping Forest College to use material in the Museum Store in educational projects possibly to be financed by the Heritage Lottery Fund. By these means the Charity has facilitated the provision of volunteers to support a range of BPMA's activities.

Each year members enjoy a programme of meetings and visits, receive two issues of the Charity's journal *Cross Post* and two issues of the Charity's *Newsletter* giving details of forthcoming events. An Open Day, including the Charity's AGM, organised jointly by BPMA and the Charity in December 2007 proved successful and was repeated in December 2008. By these means the Charity promotes awareness of the breadth of material in the care of BPMA and adds to the knowledge of Britain's postal history among its members.

Membership at 31 March 2009 stood at 293 (2008 – 332).

Financial Review

Funding

Subscriptions and donations from members, Gift Aid on some subscriptions and donations from members who are UK taxpayers and fees received from advertising in the Charity's journal, *Cross Post*, fund the Charity's activities. From time to time the Charity launches appeals to fund specific projects being undertaken by BPMA.

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REPORT OF THE TRUSTEES *(continued)*

Reserves Policy

After careful review the Board of Trustees has concluded that it is prudent to ensure that there are sufficient reserves to provide financial flexibility should the Charity experience unforeseen difficulties. The aim is that reserves should cover a minimum of six months' running costs, that is approximately £3,500 (£3,500 – 2008) being mainly the cost of printing and distributing one issue of *Cross Post*.

Plans for the Future

- To support BPMA by providing volunteer assistance at events, exhibitions and open days;
- To offer an educational and social programme through lectures and study visits;
- To publish for members and others through the pages of *Cross Post* material appertaining to the history of the postal service;
- To continue supporting BPMA in developing ideas for the Festival of Stamps in 2010;
- To support BPMA in developing a new centre for the study of postal heritage, details of which BPMA announced in September 2008; and
- To continue raising funds to purchase books for the BPMA Library.

Trustees' Responsibilities in Relation to the Financial Statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year and of the surplus or deficit for the year. In preparing those financial statements the Trustees 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 Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The Charity is entitled under Section 249A(1) of the Companies Act 1985 to file unaudited financial statements at Companies House, because its turnover is less than £500,000.

This Report, which has been prepared taking advantage of the special provisions relating to small companies within Part VII of the Companies Act 1985, was approved by the Board of Trustees on 16 July 2009 and signed on its behalf by:


.....
C G MACEY — Chairman of the Trustees


.....
C R H PARSONS — Treasurer

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**EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS
of The Friends of The British Postal Museum & Archive**

For the Year Ended 31 March 2009

I report on the financial statements for the year ended 31 March 2009 set out on pages 9 to 13.

Respective Responsibilities of Trustees and the Examiner

As described on page 7 the Charity's Trustees are responsible for the preparation of financial statements, and they consider that the Charity is exempt from an audit because the turnover was below £500,000. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of Opinion

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the financial statements with the accounting records kept by the Charity, and making such limited enquiries of the Trustees of the Charity as I considered necessary for the purpose of this report. These procedures provide the assurance expressed in my opinion.

Opinion

In my opinion:

- a) the accounts for the year ended 31 March 2009 are in agreement with the accounting records kept by the Charity under Section 221 of the Companies Act 1985;
- b) having regard to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the Charity satisfied the conditions for exemption from an audit of the financial statements for the period specified in Section 249A(4) of the Act and did not, at any time within the period, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Signed:



M P Chick, BEd, FMAAT, AFA
Director
Abingdon Accountancy Centre Ltd
23 Stockey End, Abingdon, OX14 2NF

21st July 2009

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Statement of Financial Activity
Revenue Account for the Year Ended 31 March 2009

	Notes	2009 £	2008 £
Turnover	1 (b), 1 (c)	7,009	7,730
Administrative Expenses		6,931	7,024
Operating Surplus	3	78	706
Interest Received	1 (d)	439	481
Retained Surplus for the Year		517	1,187
Retained Surplus Brought Forward		9,744	8,557
Retained Surplus Carried Forward		10,261	9,744

This statement of financial activities includes all gains and losses recognised in the year.
 All incoming resources and resources expended derive from continuing activities.

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CHARITY BALANCE SHEET as at 31 March 2009


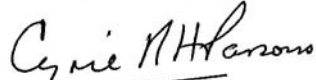
	Notes	2009		2008	
		£	£	£	£
Current Assets					
Debtors	5	792		698	
Stock of Stationery		–		95	
Cash at Bank		11,769		10,303	
		-----		-----	
		12,561		11,096	
Creditors: Amounts falling due within one year	6	2,301		1,352	
		-----		-----	
Net Current Assets			10,260		9,744
			-----		-----
Total Assets less Current Liabilities			£ 10,260		£ 9,744
			=====		=====
Capital and Reserves					
Unrestricted Funds			9,788		9,605
Restricted Funds	7		472		139
			-----		-----
			£ 10,260		£ 9,744
			=====		=====

The Trustees consider that for the year ended 31 March 2009 the Company was entitled to exemption under Section 249A(1) of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the financial year under Section 249B(2) of the Act. The Trustees acknowledge their responsibility:

1. to ensure that accounting records are maintained in accordance with Section 221; and
2. to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its income and expenditure for the financial year in accordance with Section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

The Trustees have taken advantage in the preparation of the annual financial statements of the exemptions available under Part I of Schedule 8 of the Companies Act 1985 on the grounds that the Charity qualifies as a small company by virtue of s.247 of the Companies Act 1985. These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Company Act 1985 and the Financial Reporting Standard for Small Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on 16 July 2009 and signed on their behalf by:

] C G Macey (Chairman of the Trustees)
] C R H Parsons (Treasurer)

The notes on pages 11 to 13 form part of these financial statements.

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Notes to the Financial Statements at 31 March 2009

1 ACCOUNTING POLICIES

(a) Basis of preparation of accounts

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

(b) Incoming Resources

Turnover represents the subscriptions received by the Charity during the year. The whole turnover and surplus is attributable to the Charity's principal activity, namely that of running a charity.

(c) Donations

Income from donations is included in incoming resources when these are receivable.

(d) Interest Receivable

Interest is included when received by the Charity.

(e) Resources expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of VAT that cannot be recovered.

(f) Fund Accounting

Funds held by the Charity are either:

- *Unrestricted general funds.* These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.
- *Restricted funds.* These are funds that can be used only for particular restricted purposes within the objects of the Charity. Restrictions arise when funds are raised for particular restricted purposes, such as making grants to BPMA's Library Fund.

2 LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. The liability of each Member in the event of winding up is limited to not more than £10.

3 OPERATING SURPLUS/(DEFICIT)

The Operating Surplus is stated after crediting:

	2009	2008
	£	£
Bank Interest Received	439	481
	=====	=====

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Notes to the Financial Statements at 31 March 2009 *(continued)*

4 TAXATION

The Friends of the British Postal Museum & Archive is a registered charity and as such is exempt from Corporation Tax.

5 DEBTORS

	2009	2008
	£	£
Gift Aid repayments receivable	775	674
Prepaid Expenses (<i>Insurance Premium</i>)	17	24
	-----	-----
	£ 792	£ 698
	=====	=====

6 CREDITORS AND PREPAYMENTS: Amounts falling due within one year

	2009		2008	
	£	£	£	£
Subscriptions Paid in Advance	2,050		1,150	
Accruals		251		202
		-----		-----
		£ 2,301		£ 1,352
		=====		=====

7 RESTRICTED FUNDS

As stated on the previous page [*Note 1(f)*] these funds can be used only for particular restricted purposes within the objects of the Charity. In the past the former unincorporated association set aside at the end of each financial year 10% of the surplus on its Income and Expenditure Account to build up a fund to make grants to BPMA. With effect from the year ended 31 March 2008 the Charity reinstated that policy now that annual income exceeds expenditure. In connection with the 21st anniversary (in 2006) of the formation of the unincorporated association, the Charity appealed to members to contribute to BPMA's Library Fund, an appeal that raised £1,000.

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Notes to the Financial Statements at 31 March 2009 *(continued)*

7 RESTRICTED FUNDS *(continued)*

	2009	2008
	£	£
At Beginning of Year	139	65
Incoming Resources	333	124
Outgoing Resources	–	(50)
	-----	-----
At End of Year	£ 472	£ 139
	=====	=====

Included in Incoming Resources in the year ended 31 March 2009 was a half share of Sundry Sales achieved during the year. These arose mainly from the disposal of stock inherited from the former unincorporated association. On the strength of the Restricted Funds at 31 March 2009, the Trustees agreed to make a further donation (on this occasion £500) to BPMA's Library Fund. The actual presentation was made during The Friends' Social Gathering at the Museum Store on 25 April 2009 and will be included in the annual accounts for the year ending 31 March 2010.

8 CAPITAL COMMITMENTS

The Charity had no capital commitments at 31 March 2009.

9 CONTINGENT LIABILITIES

The Charity had no contingent liabilities at 31 March 2009.

10 RELATED PARTIES

The Charity has a very close relationship with The Postal Heritage Trust (Charity No: 1102360) whose public identity is The British Postal Museum & Archive (BPMA).

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Detailed Income and Expenditure Account

For the Year Ended 31 March 2009

	£	2009 £	£	2008 £
	Unrestricted	Restricted	Total	Total
Income				
Subscriptions	4,460		4,460	5,106
Advertising in <i>Cross Post</i>	1,100		1,100	1,000
Donations	37		37	88
Gift Aid	785		785	1,146
Sundry Sales	314	313	627	390
BPMA Library Fund Appeal	–	–	–	–
	<u>6,696</u>	<u>313</u>	<u>7,009</u>	<u>7,730</u>
Bank Interest Received	439		439	481
	<u>7,135</u>	<u>313</u>	<u>7,448</u>	<u>8,211</u>
Expenses				
Printing <i>Cross Post</i>	5,032		5,032	5,012
Printing and Stationery	334		334	393
Postage	1,187		1,187	1,081
Meeting Expenses	–		–	–
Insurance	64		64	81
Examiner's Fee	172		172	164
Travelling Expenses	124		124	178
Testimonial for Retired BPMA Manager	–		–	100
Donation to BPMA	–		–	–
Bank Charges	3		3	–
Sundry Expenses	15		15	15
	<u>6,931</u>	<u>0</u>	<u>6,931</u>	<u>7,024</u>
Surplus on Ordinary Activities	204	313	517	1,187
Transfer to Restricted Fund (10% of surplus)	<u>(20)</u>	<u>20</u>	<u>–</u>	<u>–</u>
	<u>184</u>	<u>333</u>	<u>517</u>	<u>1,187</u>

This statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.
This page does not form part of the Statutory Accounts.