

PADDLE STEAMER PRESERVATION SOCIETY

Report of the Council of Management 2019

The Council of Management presents its Report, which forms the Trustees' Annual Report required by charity law and the Directors' Report required by company law, and the Financial Statements for the year ended 31 December 2019.

Review of the Year

2019 marked the Society's Diamond Anniversary, following its foundation by Professor Alan Robinson in 1959. Unfortunately events conspired to make the year not quite the celebration we had hoped for but, in reality, as momentous as any year in our 60 year history.

In May came the dreadful news that *Waverley's* boilers were past economic repair and that consequently she had to be withdrawn from service for the year. The Waverley companies' energetic new management grasped the nettle and set about the daunting task of raising £2.3million - a task which seemed, at first, impossible but which was completed in fine style before the year end. The invaluable contribution of £1million from the Scottish Government made all the difference, as had their equally magnificent support for the *Maid of the Loch*. Indeed, this meant that in a period of a little over a year in excess of £3million had been drawn into paddle steamer preservation in the UK - a very remarkable achievement by all standards.

To mark the 60 year milestone we published, in conjunction with Black Dwarf Publications, the superb book "Sixty Years of Paddle Steamer Preservation" compiled by Richard Clammer, plus the DVD "Britain's Last Paddle Steamers & the People Who Saved Them" of interviews and archive steamer film footage, in partnership with Viewpoint Productions. Both items have been well received and together contributed nearly £4,000 to the Waverley Boiler Refit Appeal.

It is sad to note that our Founder and President, Professor Alan Robinson, passed away in August in his 99th year. Tributes to his initiative and support throughout the Society's life were made at our Annual General Meeting and in the pages of our magazine, *Paddle Wheels*.

Supporting Paddle Steamer *Waverley*

Supporting P.S. *Waverley* to ensure she can continue to operate remains the top priority of the Society. In 2019 the Society continued its policy of providing financial support to Waverley Steam Navigation Co Ltd (WSN), the owning charity.

Following the discovery of the boiler problems, the Society grant funded, from its reserves, the 2019 refit (including abortive boiler repairs) to a total of £255,509. This ensured business continuity while funds were raised for the necessary renewals to be carried out. Later a further grant was made from reserves of £157,746 towards the cost of the new boiler and alternators.

Members and supporters contributed £358,876 to the Boiler Refit Appeal and these contributions were passed on monthly to WSN. Our Branches contributed an additional £27,042, mainly from reserves but also from fund raising activities.

After adding the contributions from the Anniversary book and DVD of £3,921, a total of £803,094 was contributed or committed to WSN during 2019 by the Society.

Supporting Paddle Steamer *Kingswear Castle*

During 2019, P.S. *Kingswear Castle* continued to be operated successfully by Dart Pleasure Craft (DPC), with no requirement for funding from PSPS or from Paddle Steamer Kingswear Castle Trust (PSKCT), the owning charity. 2020 will be the mid-point of the current charter agreement with DPC and discussions have commenced regarding extending the charter term and the proposed major rebuild to start around 2021.

Supporting Paddle Steamer *Maid of the Loch*

The Society also supports financially the preservation of P.S. *Maid of the Loch*, which is owned by Loch Lomond Steamship Company (LLSC), an independent Scottish charity (SC024062). LLSC is one of the bodies to which the Society is allied, having aims related to the preservation of large pleasure steamers, and with which close links are maintained.

In November 2018 the PSPS Council pledged £50,000 towards a major refurbishment project and consequently this was charged to expenditure in 2018, although paid in 2019. The project, largely funded by the Scottish Government, was completed in October 2019. This very successfully has culminated in her engines and paddle wheels turning again, albeit powered by a small shoreside boiler unit.

Majority Shareholdings

The Society is the majority shareholder in WSN (itself a registered Scottish charity - SC005832)) which owns P.S. *Waverley* on behalf of the Society. The steamer is operated by Waverley Excursions Ltd., a wholly owned subsidiary of WSN.

The Society is also the majority shareholder in PSKCT (itself a charity registered in England and Wales as no. 299931) which owns P.S. *Kingswear Castle* on behalf of the Society. Since 2013 she has been chartered on a long-term basis to DPC who are operating her on Dartmouth harbour cruises and between Dartmouth and Totnes. DPC is a wholly owned subsidiary of Dart Valley Railway Limited (DVR), in which the Society has a small shareholding. It should be noted that although DPC, as charterer, is responsible for the bulk of maintenance, PSKCT retains the responsibility as owner to fund major renewals, such as of the hull, boiler and main engine. For this reason, the Society previously granted PSKCT £333,709 to form a long term maintenance reserve.

PSPS Collection

The Society has a specialised Archive Collection which is currently valued at £48,008 (2018: £48,932). The Collection has been accumulated over the 60 years of the Society's existence and ranges from ship models to ship's furniture, sailing handbills, postcards, pictures/slides and company records.

To fulfil its educational role the Society is working to make its collection more accessible for research with a number of objects already on loan for display purposes to appropriate museums. During 2019 further artefacts were donated to the Collection including the ship's bell from P.S. *Empress*, glass plate negatives and photographs.

A sub-committee of three, including two Council of Management trustees, has responsibility for managing the collection. The day to day running is dealt with by one trustee. Long and short term plans have been created and a five-year budget has been approved. The Archive Development Fund (which partially funds this work) has benefited from contributions from individuals. In addition, the Council of Management has decided to add 5% of non-specific bequests to the Fund.

The London & Home Counties Branch kindly provided funds for the purchase of suitable storage boxes which has enabled the archive to continue to improve the storage of its slides, negatives and postcard collections.

The volunteer team continues to catalogue non-accessioned items and has focused on specific collections. The reorganisation of the postcard collection, the Central Committee and Council of Management papers is now complete, as is the slide collection, which is also being scanned.

Preparations are underway for displaying part of the collection on the Society's website.

Development of the Society

Of necessity, our resources were concentrated on fundraising during 2019. Nevertheless some initiatives were put in place to increase membership, although the results will not be fully felt until 2020. In particular, the respective roles of the Society and the Friends of Waverley have been redefined. Supporters requiring sailing discounts are now being directed to the Society, while those making regular cash contributions are now focused on the Friends of Waverley.

Structure of the Society

The Society is a company limited by guarantee (having no share capital), registered in England and Wales No. 2167853, and a charity registered in England and Wales (No. 298328) and in Scotland (SC037603). The Society is governed by its Articles of Association and these set out the Society's objects which may be summarised as to preserve in operation paddle steamers, to educate the public in their historical significance and to preserve and exhibit a collection of equipment and material associated with paddle steamers. The Society's principal activities are to assist in the preservation in sailing condition of the Paddle Steamers *Waverley* and *Kingswear Castle* and to maintain a collection of historical material relating to paddle steamers.

The Society provides public benefit by making grants to charities to enable them to maintain their vessels so the public may sail on them; by maintaining a collection of artefacts accessible for research purposes; by holding public meetings relating to paddle steamers; and by publishing current and historical information relating to paddle steamers. The trustees have paid due regard to Charity Commission guidance on public benefit in deciding what activities the Society should undertake.

The Council of Management are the Society's charity trustees. The Council of Management controls the Society and met three times in 2019 in London and Glasgow. The methods of appointment are as follows:

Method of Appointment	Number
Members of the Society elected by postal ballot of the membership	7
One member of the Society from each Branch of the Society nominated by the member's Branch Committee	5
One representative appointed by Waverley Steam Navigation Co Limited	1
One representative appointed by Paddle Steamer Kingswear Castle Trust Limited	1
One representative appointed by Loch Lomond Steamship Company	1
Members co-opted by Council until next AGM	2
	17

The Society operates both at UK and local levels, through five area Branches. The five Branches organise public meetings in winter, arrange outings, assist in promoting sailings and carry on fund raising in summer. Members also participated in working parties on P.S. *Waverley* at Glasgow. The five Branch Committees are given delegated authority over 20% of the subscription income attributed to their areas and promote the Society and organise activities locally.

Society Accounts and Membership

The Society Accounts for 2019 show an outflow of funds as the Society has drawn heavily on its reserves in order to support P.S. *Waverley* during her period of enforced rest. As a result, there was a net expenditure of £343,482 (2018: £63,348).

At 31 December 2019 the unrestricted funds comprised the General Fund standing at £90,227 (2018: £76,471) and the Archive Development Fund at £48,818 (2018: £47,472). The Dyer Bequest was for the Society's

general purposes, but its use was subject to consultation with the Wessex and Dart Branch. After the necessary consultation, the Trustees agreed to close this fund and to transfer £100,000 to the P.S. Waverley division of the Restoration and Preservation Fund and the remaining £28,970 to General Fund during 2019.

The restricted funds of the Restoration and Preservation Fund (devoted to Paddle Steamers Waverley and Kingswear Castle) stood at £192,088 (2018: £421,521), of which £nil (2018: £1,253) was specifically for P.S. Waverley and £7,869 (2018: £7,763) specifically for P.S. Kingswear Castle. The Society is fortunate to benefit from sometimes very substantial bequests from its members and supporters and in 2019 £48,053 was received (2018: £15,730).

The Society has no paid employees, so its achievements reflect members' voluntary efforts. These cover a wide range of skills and are essential to the continued successful operation of the Society. The Council of Management gratefully acknowledges all contributions great and small.

The Society has three main reasons to hold reserves:

- i. To maintain the operation of the Society. The Council of Management has set this sum at £50,000.
- ii. To continue the preservation and development of its Archive Collection. The Council of Management has designated the Archive Development Fund of £48,818 for this activity.
- iii. To provide for the refit or repair of P.S. Waverley should WSN not have funds to do so. The Council of Management believes this reserve should be £500,000. However, the amount available at 31 December 2019 was £154,695, so the rebuilding of this balance is a priority.

The Society has not adopted a formal fundraising policy. However, its fundraising efforts, which are all volunteer-led, are largely directed towards its members. The only material exceptions have been a series of fundraising events in aid of the Waverley Boiler Refit Appeal and the promotion of special cruises on Waverley in past and future years. New members are recruited by the use of leaflets, through the Society's web site and social media channels.

The Society's membership stood at 2,409 at 31 December 2019 (2018: 2,474) made up as shown:

	Bristol Channel	London and Home Counties	North of England and North Wales	Scottish	Wessex and Dart	Total
Full	88	174	69	289	78	698
Senior	182	279	67	299	138	965
Associate	68	125	32	144	48	417
Young Persons	3	2	2	7	1	15
Life	42	97	23	74	47	283
Honorary	5	6	-	15	5	31
Total	388	683	193	828	317	2,409

There was a net reduction of 65 members during 2019, a reduction of 2.6%. However, it should be noted that 85 life members were removed from the membership list during 2019 as they had failed to respond to four letters, meaning the underlying result is a small increase in membership.

Communication

The Society communicates to its members by publishing a quarterly Journal *Paddle Wheels*. The Society also communicates with non-members through its website (www.paddlesteamers.org), its social media accounts

and its YouTube Channel. All of these continued to be updated regularly with news about our ships and feature articles and postings of wider paddle steamer interest.

Trustees

The Council of Management (the Society's Trustees and Directors) approved this report on 28 March 2020. They received no remuneration for their services and are listed below:

Elected Members (Up to seven)

Myra Allen

John Anderson

Richard Clammer (3)

Jon Jolliffe

Martin Longhurst (Treasurer)

Peter Morley (Company Secretary; Interim Chairman from 9.3.19)

Paul Semple (1 & 2) (Chairman to 31.1.19)

Branch Representatives (Up to five)

Keith Adams (Wessex and Dart) (Appointed 22.6.19)

David Green (London and Home Counties) (Resigned 9.3.19)

Angela Johnson (North of England and North Wales) (National Secretary)

Noel Kemp (Bristol Channel)

Christopher Larkin (London and Home Counties) (Appointed 9.3.19)

Andrew Munn (Wessex and Dart) (Resigned 6.1.19)

Gordon Wilson (Scottish) (Vice Chairman) (Membership Secretary)

Representative of Waverley Steam Navigation Co. Ltd. (May appoint one trustee)

Deryk Docherty (1 & 2) (Appointed 23.11.19)

Representative of P.S. Kingswear Castle Trust Ltd. (May appoint one trustee)

John Megoran (3)

Representative of Loch Lomond Steamship Co. (May appoint one trustee)

John Beveridge

Members co-opted by Council until next AGM (Up to two)

John Allen (Appointed 23.11.19)

David Green (Appointed 9.3.19)

David Haddleton (Retired 26.10.19)

Directorships of related party companies:

(1) Waverley Steam Navigation Co. Ltd.

(2) Waverley Excursions Ltd.

(3) Paddle Steamer Kingswear Castle Trust Ltd.

Peter Morley

Company Secretary and Trustee

29 March 2020

Registered Office: Mayfield, Hoe Lane, Abinger Hammer, Dorking, RH5 6RS

PADDLE STEAMER PRESERVATION SOCIETY

Statement of Financial Activities for the Year ended 31 December 2019
incorporating the Income and Expenditure Account

	2019			2018		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Income from:						
<i>Membership subscriptions</i>	37,323	-	37,323	36,375	-	36,375
<i>Donations</i>	11,345	375,558	386,903	24,847	24,604	49,451
<i>Legacies</i>	2,402	45,651	48,053	721	15,009	15,730
Total donations and legacies	51,070	421,209	472,279	61,943	39,613	101,556
Charitable activities	1,630	-	1,630	13,333	-	13,333
<i>Lottery sales</i>	-	-	-	5,801	1,320	7,121
<i>Other trading activities</i>	7,227	14,214	21,441	12,592	-	12,592
Total trading activities	7,227	14,214	21,441	18,393	1,320	19,713
Investments	2,145	5,121	7,266	3,601	5,704	9,305
Total	62,072	440,544	502,616	97,270	46,637	143,907
Expenditure on:						
<i>Sailing expenses</i>	1,455	-	1,455	6,661	-	6,661
<i>Lottery prizes and expenses</i>	-	-	-	1,525	500	2,025
<i>Other</i>	3,652	10,308	13,960	10,837	-	10,837
Raising funds	5,107	10,308	15,415	19,023	500	19,523
<i>Grants for P.S. Waverley</i>	21,433	781,661	803,094	15,000	72,585	87,585
<i>Grants for P.S. Maid of the Loch</i>	-	-	-	52,600	-	52,600
<i>Paddle Wheels Journals and Newsletters</i>	13,525	-	13,525	12,846	-	12,846
<i>Archive Collection</i>	16,375	-	16,375	17,624	-	17,624
<i>Public Meetings</i>	4,544	-	4,544	3,943	-	3,943
Charitable activities	55,877	781,661	837,538	102,013	72,585	174,598
Other	9,527	-	9,527	9,431	-	9,431
Total	70,511	791,969	862,480	130,467	73,085	203,552
Net gains/(losses) on investments	-	16,382	16,382	-	(3,703)	(3,703)
Net income/(expenditure) for the year	(8,439)	(335,043)	(343,482)	(33,197)	(30,151)	(63,348)
Transfers between funds	(105,610)	105,610	-	-	-	-
Net movement in funds	(114,049)	(229,433)	(343,482)	(33,197)	(30,151)	(63,348)
Reconciliation of funds:						
Total funds brought forward	292,962	421,521	714,483	326,159	451,672	777,831
Total funds carried forward	178,913	192,088	371,001	292,962	421,521	714,483

All gains and losses recognised in the year are included above and all are derived from continuing activities.

PADDLE STEAMER PRESERVATION SOCIETY
Statement of cash flows for the year ended 31 December 2019

	Total funds 2019 £	Prior year funds 2018 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(416,779)	57,832
Cash flows provided by (used in) investing activities:		
Dividends and interest from investments	8,962	10,501
Notice deposits (between 4 and 12 months)	170,205	-
Sale of Investments	130,000	-
Purchases for Archive Collection	(50)	(1,996)
<i>Net cash provided by (used in) investing activities</i>	<i>309,117</i>	<i>8,505</i>
<i>Change in cash and cash equivalents in the year</i>	<i>(107,662)</i>	<i>66,337</i>
Cash and cash equivalents at the beginning of the year	520,557	454,220
Cash and cash equivalents at the end of the year	412,895	520,557
 Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the year (as shown on the statement of financial activities)	(343,482)	(63,348)
Adjustments for:		
Depreciation charges	5,969	5,716
(Gains)/losses on investments	(16,382)	3,703
Donations to Archive Collection	(4,995)	(1,910)
Dividends and interest from investments	(8,962)	(10,501)
(Increase)/decrease in debtors	482	(466)
(Increase)/decrease in stocks	(1,211)	-
Increase/(decrease) in creditors and provisions	(48,198)	124,638
Net cash provided by (used in) operating activities	(416,779)	57,832
 Analysis of cash and cash equivalents		
Cash in hand	412,895	350,557
Notice deposits (less than 3 months)	-	170,000
Total cash and cash equivalents	412,895	520,557

PADDLE STEAMER PRESERVATION SOCIETY

Balance Sheet at 31 December 2019

Note ref.		Total funds 2019 £	Total funds 2018 £
	Fixed assets:		
2	Heritage assets	48,008	48,932
3	<i>Programme related investments</i>	118,385	118,385
5	<i>Other investments</i>	17,024	130,642
	Investments	135,409	249,027
	<i>Total fixed assets</i>	183,417	297,959
	Current assets:		
	Stocks	1,211	-
6	Debtors	2,300	2,782
	Cash and cash equivalents	412,895	520,557
	Notice deposits (between 4 and 12 months)	-	170,205
	<i>Total current assets</i>	416,406	693,544
	Liabilities:		
7	Creditors: Amounts falling due within one year	(27,207)	(24,688)
	<i>Net current assets or liabilities</i>	389,199	668,856
	<i>Total assets less current liabilities</i>	572,616	966,815
8	Creditors: Amounts falling due after more than one year	(7,574)	(7,816)
9	Provisions for liabilities	(76,840)	(127,315)
4.4	Provision for doubtful debts	(117,201)	(117,201)
	Total net assets or liabilities	371,001	714,483
10	The funds of the charity:		
	<i>Restricted funds</i>	189,231	380,880
	<i>Revaluation reserve</i>	2,857	40,641
	Total restricted funds	192,088	421,521
	<i>General Fund</i>	90,227	76,471
	<i>Dyer Bequest</i>	-	128,970
	<i>Archive Development Fund</i>	48,818	47,472
	<i>Museum Collection Reserve</i>	39,868	40,049
	Total unrestricted funds	178,913	292,962
	Total charity funds	371,001	714,483

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts;
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

They were approved by the Council of Management on 28 March 2020 and signed on its behalf by Martin Longhurst.

Martin R Longhurst

NOTES TO THE ACCOUNTS

1. Format of Accounts and Accounting Policies:

- 1.1. Basis of accounts:** These Accounts have been prepared in line with Financial Reporting Standard 102 (FRS102) and the Charities' Statement of Recommended Practice (SORP2015) but do not fully comply with them (see note 1.2). They were prepared in accordance with applicable company and charity law. The accounts are prepared on an income and expenditure basis. The society is a public benefit entity. Despite the departures set out in Note 1.2, the Council of Management has concluded that the accounts present a true and fair view of the Society's financial position.
- 1.2. Departures from FRS102 & SORP 2015:**
- 1.2.1. Group accounts:** As permitted by Section 405 of the Companies Act 2006, the Council of Management has not prepared group accounts on the grounds that as the subsidiaries are constituted as charities there are severe long-term restrictions over the assets of the subsidiaries and that disproportionate expense would be incurred in the preparation of group accounts. See note 4 for details of subsidiary undertakings' results. The Standards require Group Accounts.
- 1.2.2. Legacies:** These are recognised at the time of receipt and no allowance is made for the undistributed part of any legacies due. The Standards require inclusion in Income upon notification.
- 1.2.3. Loans to Waverley Steam Navigation Co Limited (WSN):** These are shown at their full value within Total Assets although a full doubtful debt provision has been made and is included in Liabilities, reflecting the fair value of the loans. The Standards require loans to be shown at their fair value which would mean neither balance would be disclosed.
- 1.3. Annual Membership subscriptions:** As the subscription year runs from August to July for the bulk of members, this income is apportioned between the appropriate financial years.
- 1.4. Life Membership Equalisation Account:** Life membership subscriptions are credited to this account upon receipt and are then recognised as Income in equal instalments over 20 years.
- 1.5. Donated Heritage Assets for Archive Collection:** These are recognised at their estimated market value.
- 1.6. Stocks:** Stocks of unsold goods, if any, are valued at the lower of cost or realisable value.
- 1.7. Investments:** Programme related investments are included at their nominal value or historical cost less impairment. Investments held to generate income or for their investment potential are valued at fair value.
- 1.8. Gains/losses on investments:** Gains and losses are recognised in the year they arise. Unrealised gains or losses are added to or deducted from the Fund to which the investment relates and the total is shown in the Revaluation Reserve.
- 1.9. Grants:** Liabilities arising from grant commitments made by the Society are recognised by creating a provision pending the fulfilment of conditions at which point the obligation becomes binding.

- 2. Heritage Assets - Archive Collection:** The Society owns a collection of relics relating to paddle steamers. It was valued at market value at 31 December 2001 and is now depreciated over 20 years on a straight line basis. Movements in 2019 may be summarised as follows:

	Donated At valuation £	Purchased At cost £	Total £
Carrying amount at 1 January	40,049	8,883	48,932
Additions	4,995	50	5,045
Disposals	-	-	-
Depreciation/impairment	(5,177)	(792)	(5,969)
Revaluation	-	-	-
Carrying amount at 31 December	39,867	8,141	48,008

Accounting standards also require the publication of a five year summary

Summary analysis of heritage asset transactions

	2019 £	2018 £	2017 £	2016 £	2015 £
Purchases	50	1,996	-	1,738	-
Donations	4,995	1,910	-	1,750	600
Total additions	5,045	3,906	-	3,488	600
Charge for depreciation					
Donated items	(5,177)	(4,926)	(4,831)	(4,831)	4,743
Purchased items	(792)	(790)	(690)	(690)	603
Total charge for depreciation	(5,969)	(5,716)	(5,521)	(5,521)	5,346

There were no disposals during the five year period.

The Trustees have produced a valuation of the Collection at market value at 1 January 2020 of £125,304. They propose to introduce a new accounting policy for the 2020 Financial Statements to reflect this.

3. Programme related investments are as follows:

	2019 £	2018 £
Shares in Paddle Steamer Kingswear Castle Trust Limited (PSKCT)	55	55
Shares in Waverley Steam Navigation Company Limited (WSN)	51	51
Loans to WSN	117,201	117,201
Shares in Dart Valley Railway Limited (DVR)	1,078	1,078
	<u>118,385</u>	<u>118,385</u>

4. Programme related investments

4.1. Subsidiary undertakings:

4.2. The holding of shares in PSKCT, the owner of P.S. Kingswear Castle, represents 83% of shares issued. The shares are shown in the accounts at their nominal value as shareholders in the Trust cannot benefit from their holdings, as it is constituted as a charity (registered in England and Wales as no. 299931). At 30 April 2019 the aggregate amount of its capital and reserves was £862,559 (2018 - £848,803), both including £333,709 transferred from PSPS, and its net income for the year then ended was £13,756 (2018 – net expenditure of £39,914).

4.3. The holding of shares in WSN, the owner of P.S. Waverley, represents 70% of shares issued. The shares are shown in the accounts at their nominal value as shareholders in the Company cannot benefit from their holdings, as it is constituted as a charity (registered in Scotland as no. SC005832). At 31 October 2018 the aggregate amount of its group capital and reserves was £2,688,053 (2017 - £3,106,594) and its group net expenditure for the year then ended was £418,541 (2017 - £275,625).

4.4. The Loans to WSN are interest free and are repayable on two years' notice expiring on 31 March in any year. Full provision of £117,201 has previously been made to reflect the likelihood of repayment of the long-term loan balance.

4.5. Other programme related investment:

4.6. The shares in DVR were donated to the Society. DVR is the ultimate holding company of Dart Pleasure Craft Limited, charterers of P.S. Kingswear Castle. They are shown at their value at the date of acquisition.

5. Other Investments held to generate income or for their investment potential consisted of a holding in Charities Official Investment Fund Income Units in both 2018 and 2019.

6. Debtors are made up as follows:

	2019 £	2018 £
Trade debtors	1,360	-
Prepayments and accrued income	940	2,782
	<u>2,300</u>	<u>2,782</u>

7. Creditors: Amounts falling due within one year are made up as follows:

	2019 £	2018 £
Trade creditors	(4,893)	(2,910)
Annual subscriptions in advance	(21,264)	(20,752)
Life Membership Equalisation Account	(1,050)	(1,024)
	<u>(27,207)</u>	<u>(24,686)</u>

8. Creditors: Amounts falling due after more than one year are made up as follows:

	2019 £	2018 £
Life Membership Equalisation Account	(7,574)	(7,816)

9. Provisions for Liabilities may be analysed as follows:

	Total 2019 £	Total 2018 £
Carrying amount at 1 January	(127,315)	-
Grant paid	125,465	-
Grant commitments made	(74,990)	(127,315)
Carrying amount at 31 December	<u>(76,840)</u>	<u>(127,315)</u>

10. Fund movements: The movements in each of the Society's funds may be summarised as follows:

Fund name	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Restricted funds						
Restoration and Preservation Fund						
General	371,864	66,695	-	(270,994)	13,797	181,362
P.S. Waverley	1,253	373,743	(791,969)	416,973	-	-
P.S. Kingswear Castle	7,763	106	-	-	-	7,869
Revaluation reserve	40,641	-	-	(40,369)	2,585	2,857
Total restricted funds	421,521	440,544	(791,969)	105,610	16,382	192,088
Unrestricted funds						
General Fund	76,471	54,022	(65,335)	25,069	-	90,227
Dyer Bequest	128,970	-	-	(128,970)	-	-
Archive Development Fund	47,472	3,055	-	(1,709)	-	48,818
Archive Collection Reserve	40,049	4,995	(5,176)	-	-	39,868
Total unrestricted funds	292,962	62,072	(70,511)	(105,610)	-	178,913
Total Funds	714,483	502,616	(862,480)	-	16,382	371,001

11. **Restricted Funds** comprise the Restoration and Preservation Fund, which holds funds received for or allocated to P.S. Waverley and P.S. Kingswear Castle, either in general or specifically. The **Revaluation Reserve** represents the unrealised gain on investments allocated to the Restoration and Preservation Fund. The **Dyer Bequest** was for the Society's general purposes, but its use was subject to consultation with the Wessex and Dart Branch. After the necessary consultation, the Trustees agreed to close this fund and to transfer £100,000 to the P.S. Waverley division of the Restoration and Preservation Fund and £28,970 to General Fund during 2019. The **Archive Development Fund** has been designated for the development of the conservation of and access to the Archive Collection. The **Archive Collection Reserve** represents the value of donated items, after deducting accumulated depreciation.
12. **Grants** All grants made were to other charities in pursuit of the Society's objects of preserving in operation paddle steamers and maintaining a collection of historical material relating to paddle steamers. In general, grants are only made towards work on the fabric of the vessels supported.
13. **Commitments:** At 31 December 2019 there were no unprovided commitments (2018: Nil).
14. **Related Party Transactions:** The Society is related to the following companies because it has a majority shareholding, as described in the Trustees Report.
- 14.1. Paddle Steam Kingswear Castle Trust Ltd (PSKCTL)
- 14.1.1. During 2019 the Society made a grant of £1,190 (2018: £1,310) to PSKCT towards storage costs.
- 14.1.2. There was no balance outstanding at either year-end.
- 14.2. Waverley Steam Navigation Co Ltd (WSN)
- 14.2.1. The Society had outstanding loans of £117,201 to WSN at 31 December 2019 (2018: £117,201).
- 14.2.2. During 2019 the Society made or committed grants of £803,094 (2018: £87,585) to WSN for P.S. Waverley.
- 14.2.3. During 2019 the Society supplied goods to the value of £600 to WEL. During 2018 the Society chartered P.S. Waverley from WEL at a cost of £6,009.
15. **Trustee Remuneration:** None of the trustees have been paid any remuneration or received any other benefits from an employment with the Society (2018 - Nil). No person connected with a trustee received any remuneration from the Society (2018: Nil). Trustees and related parties contributed accumulated donations of £41,729 (2018 - £858). In 2019 the purpose of the donations was towards the cost of the new boiler and alternators needed to keep P.S. Waverley in service.
16. **Trustee Expenses:** 15 trustees received reimbursements of travel and accommodation costs incurred in the course of their duties totalling £3,271 (2018 - £3,786).
17. **Staff Costs and Employee Benefits:** Nil (2018 - Nil).
18. **Cost of Independent Examination and Other Financial Services:** £1,140 was accrued for independent examination services (2018 - £1,120) and no other services were provided to the Society (2018 - Nil).

INDEPENDENT EXAMINER'S REPORT

Report to the Directors/members of the Paddle Steamer Preservation Society on the accounts for the year ended 31st December 2019.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the trustees of the Society (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Society are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the Society are not required to be audited under part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Society's accounts carried out under section 44 (1) (c) of the 2005 Act and section 145 of the Charities Act 2011 ('the 2011 Act').

In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

Since the Society is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered fellow member of the Association of Accounting Technicians and The Association of Charity Independent Examiners which are listed bodies.

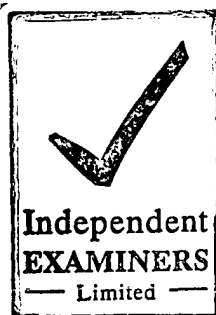
INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- i. accounting records were not kept as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
- ii. the accounts do not accord with those records with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
- iii. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- iv. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities, except as disclosed in the Notes to the Accounts.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P B Robinson MAAT FCIE
Independent Examiners Ltd
Poplars
Yapton Lane
Walberton
West Sussex
BN18 0AS



Dated: 6th August 2020