

PADDLE STEAMER PRESERVATION SOCIETY

Report of the Council of Management 2020

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 2020.

Review of the Year

2020 has not been a normal year for anyone, and the Society has been much affected. In March 2020, towards the end of the normal winter season of public meetings held by the Society's branches, the UK entered lockdown due to the Coronavirus pandemic. As a result, all remaining meetings of the 2019-2020 season were cancelled, and any outstanding branch AGMs were postponed.

As the pandemic progressed, the situation was kept under review, but it became apparent that it would not be possible to hold face-to-face meetings for the remainder of 2020. As a result, all Council meetings were held online, as was the Annual General Meeting. Branch AGMs were cancelled and the existing branch committees remain in place. It has been decided to trial a small number of online meetings, hosted by the Branches, in early 2021.

Despite all this, once restrictions eased, both P.S. *Kingswear Castle* and P.S. *Waverley* sailed in 2020.

Although initially disrupted by the pandemic, P.S. *Kingswear Castle*'s annual maintenance was completed and she sailed successfully on harbour cruises from Dartmouth from early July until late September.

Despite delays caused by the coronavirus lockdown, P.S. *Waverley*'s Boiler Room Refit was completed and she returned to service on 22nd August to a warm reception from passengers and the local communities she visited, giving those who supported the Boiler Refit Appeal an opportunity to step aboard the rejuvenated ship. However, with ongoing COVID-19 restrictions passenger numbers were reduced to less than 30% of her normal capacity. Despite most sailings being "sold out" sailing revenue just covered fuel and crew costs. There was no surplus generated to meet any costs for the coming winter period and a Waverley COVID-19 Relief Appeal was opened.

Overall, our sixtieth anniversary publications of a hardback book and a DVD, raised over £4,500 for the Waverley, as well as commemorating our achievements in fine style.

Supporting Paddle Steamer Waverley

Supporting P.S. *Waverley* to ensure she can continue to operate remains the top priority of the Society. In 2020 the Society continued its policy of providing financial support to Waverley Steam Navigation Co Ltd (WSN), the owning charity.

Members and supporters contributed £119,932 to the COVID-19 Relief Appeal and these contributions were passed on monthly to WSN. By the end of 2020, the COVID relief appeal had reached approximately half the target set for individual donations. Our Branches contributed an additional £4,150.

After adding a bequest and miscellaneous contributions, a total of £133,891 was contributed or committed to WSN during 2020 by the Society.

Supporting Paddle Steamer Kingswear Castle

During 2020, 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 is the mid-point of the current charter agreement with DPC and discussions are ongoing regarding extending the charter term. It is intended that fundraising for a major rebuild will start in 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. The charity celebrated its 25th anniversary in 2020.

Once the lockdown ended and after extensive preparation work, the ship opened to the public on 20 August, and remained open for a short season until the beginning of November.

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 of over 48,000 items. As explained in the Notes to the Financial Statements, the Collection was revalued in 2020 and is now included at a value of £126,255. It was first included in the Financial Statements in 2000 at valuation and was subsequently depreciated over 20 years. However, it is now clear that generally the market values of individual items have been maintained or increased over the period, leading to an understatement of their value. Therefore the Collection was revalued at 1 January 2020 by two trustees using typical market values and will now be subject to an annual impairment review in place of depreciation. It was considered that the cost of a professional valuation would be greater than the benefit to the reader of the Financial Statements.

The Collection has been accumulated over the 61 years of the Society's existence and ranges from ship models to ship's furniture, plans and drawings, 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. As part of this process, selected items from the collection are now displayed on the Society's website.

During 2020 further artefacts were donated to the Collection including postcards, photographs, slides, film, audio tapes, and a rare collection of blueprints, linen drawings and tracings from the J S White Shipyard in Cowes.

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 volunteer team continues to catalogue non-accessioned items and has focused on specific collections. The reorganisation of the ticket collection is now complete.

Development of the Society

Of necessity, our resources were concentrated on fundraising during 2020. Nevertheless, the Development Plan has been maintained and updated and significant development of the PSPS website has taken place.

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 which set out the Society's objects. These 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 online three times in 2020. 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. In normal circumstances, 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 Financial Statements and Membership

The Society Financial Statements for 2020 show an inflow of funds of £208,166, although it should be noted that as the revaluation gains are non-cash items, the underlying net cash inflow was £129,776. In 2019 there was a net expenditure of £343,482.

As explained in the Notes to the Financial Statements, the classification of Restricted and Unrestricted Funds was reviewed during the year. At 31 December 2020 the unrestricted funds comprised the General Fund standing at £98,624 (2019 restated: £90,229), the Restoration and Preservation Fund (General division) standing at £298,296 (2019 restated: £181,361) and part of the Archive Development Fund standing at £51,904 (2019 restated: £45,687).

The restricted funds comprised part of the Restoration and Preservation Fund (devoted to Paddle Steamer Kingswear Castle) standing at £7,913 (2019 restated: £7,869) and part of the Archive Development Fund standing at £365 (2019 restated: £3,130). Full details of fund balances and movements are given at Note 9 of the Notes to the Financial Statements.

In allocating expenditure from funds, the Society's policy is to use applicable restricted funds before unrestricted funds. This has resulted in low balances of the restricted funds but does ensure resources are used promptly to fulfil donors' wishes.

The Society is fortunate to benefit from sometimes very substantial bequests from its members and supporters and in 2020 £126,779 was received (2019 restated: £48,053). The 2020 figure includes £100,000 from the estate of our late founder, Professor Alan Robinson.

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 £51,904 for this activity, being a part of the Archive Development Fund.
- 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 2020 was £236,072, although some £124,082 had already been contributed towards the 2021 refit.

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 exception has been 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 2,372 on 31 December 2020 (2019: 2,409) made up as shown:

	Bristol Channel	London and Home Counties	North of England and North Wales	Scottish	Wessex and Dart	Total
Full	91	169	72	317	82	731
Senior	167	256	63	281	128	895
Associate	64	116	33	151	49	413
Young Persons	2	4	3	10	1	20
Life	43	97	24	73	45	282
Honorary	5	6	-	15	5	31
Total	372	648	195	847	310	2,372

There was a net reduction of 37 members during 2020, a reduction of 1.5%. Given the significant reduction in opportunities to recruit new members, this is an encouraging outcome.

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 27 March 2021. They received no remuneration for their services and are listed below:

Elected Members (Up to seven)

John Allen (Chairman from 28.3.20) (Transferred from co-opted member 24.10.20)

Myra Allen

John Anderson (Transferred to co-opted member 24.10.20)

Richard Clammer (3)

Jon Jolliffe

Martin Longhurst (Treasurer)

Peter Morley (Company Secretary; Interim Chairman to 28.3.20)

Paul Semple (1 & 2)

Branch Representatives (Up to five)

Keith Adams (Wessex and Dart)

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

Noel Kemp (Bristol Channel)

Christopher Larkin (London and Home Counties)

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

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

Deryk Docherty (1 & 2)

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 (Chairman from 28.3.20) (Transferred to elected member 24.10.20)

John Anderson (Transferred from elected member 24.10.20) (Resigned 13.3.21)

David Green (Appointed 9.3.19 and reappointed 21.11.20)

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

28 March 2021

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

PADDLE STEAMER PRESERVATION SOCIETY

Statement of Financial Activities for the Year ended 31 December 2020 incorporating the Income and Expenditure Account

	2020			2019 Restated		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Income from:						
<i>Membership subscriptions</i>	38,114	-	38,114	37,323	-	37,323
<i>Donations</i>	31,971	95,773	127,744	25,928	360,975	386,903
<i>Legacies</i>	119,223	7,556	126,779	48,053	-	48,053
Total donations and legacies	189,308	103,329	292,637	111,304	360,975	472,279
Charitable activities	-	-	-	1,630	-	1,630
<i>Lottery sales</i>	-	-	-	-	-	-
<i>Other trading activities</i>	3,613	-	3,613	21,441	-	21,441
Total trading activities	3,613	-	3,613	21,441	-	21,441
Investments	2,238	97	2,335	5,866	1,400	7,266
Total	195,159	103,426	298,585	140,241	362,375	502,616
Expenditure on:						
<i>Sailing expenses</i>	-	-	-	1,455	-	1,455
<i>Lottery prizes and expenses</i>	-	-	-	-	-	-
<i>Other</i>	2,208	-	2,208	13,960	-	13,960
Raising funds	2,208	-	2,208	15,415	-	15,415
<i>Grants for P.S. Waverley</i>	30,556	103,335	133,891	412,646	390,448	803,094
<i>Grants for P.S. Kingswear Castle</i>	100	-	100	-	-	-
<i>Grants for P.S. Maid of the Loch</i>	150	-	150	-	-	-
<i>Paddle Wheels Journals and Newsletters</i>	13,526	-	13,526	13,525	-	13,525
<i>Archive Collection</i>	8,555	2,812	11,367	16,375	-	16,375
<i>Public Meetings</i>	2,408	-	2,408	4,544	-	4,544
Charitable activities	55,295	106,147	161,442	447,090	390,448	837,538
Other	5,159	-	5,159	9,527	-	9,527
Total	62,662	106,147	168,809	472,032	390,448	862,480
Revaluation of heritage assets	77,296	-	77,296	-	-	-
Net gains/(losses) on investments	1,094	-	1,094	16,382	-	16,382
Net income/(expenditure) for the year	210,887	(2,721)	208,166	(315,409)	(28,073)	(343,482)
Transfers between funds	-	-	-	-	-	-
Net movement in funds	210,887	(2,721)	208,166	(315,409)	(28,073)	(343,482)
Reconciliation of funds:						
Total funds brought forward	360,002	10,999	371,001	675,411	39,072	714,483
Total funds carried forward	570,889	8,278	579,167	360,002	10,999	371,001

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

PADDLE STEAMER PRESERVATION SOCIETY

Balance Sheet at 31 December 2020

Note ref.		Total funds 2020 £	Total funds 2019 £
	Fixed assets:		
2	Heritage assets	126,255	48,008
3	<i>Programme related investments</i>	118,385	118,385
4	<i>Other investments</i>	18,117	17,024
	Investments	136,502	135,409
	<i>Total fixed assets</i>	262,757	183,417
	Current assets:		
	Stocks	444	1,211
5	Debtors	5,154	2,300
	Cash and cash equivalents	472,895	412,895
	<i>Total current assets</i>	478,493	416,406
	Liabilities:		
6	Creditors: Amounts falling due within one year	(24,857)	(27,207)
	<i>Net current assets or liabilities</i>	453,636	389,199
	<i>Total assets less current liabilities</i>	716,393	572,616
7	Creditors: Amounts falling due after more than one year	(7,384)	(7,574)
8	Provisions for liabilities	(12,641)	(76,840)
3.4	Provision for doubtful debts	(117,201)	(117,201)
	Total net assets or liabilities	579,167	371,001
9	The funds of the charity:		Restated
	<i>Restricted funds</i>	8,278	10,999
	Total restricted funds	8,278	10,999
	<i>General Fund</i>	98,624	90,229
	<i>Restoration & Preservation Fund</i>	298,296	181,361
	<i>Archive Development Fund</i>	51,904	45,687
	<i>Revaluation reserves</i>	17,594	2,857
	<i>Museum Collection Reserve</i>	104,471	39,868
	Total unrestricted funds	570,889	360,002
	Total charity funds	579,167	371,001

For the year ending 31 December 2020 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 27 March 2021 and signed on its behalf by Martin Longhurst.

Martin Longhurst

NOTES TO THE FINANCIAL STATEMENTS

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), as modified for small entities by Section 1A, 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 3 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. **Changes in Accounting Policies:** These changes have been adopted for 2020 and the comparative figures for 2019 have been restated where appropriate:

1.3.1. **Fund Accounting:** Following a review of practice, it was identified that elements of the General division of the Restoration and Preservation Fund and Archive Development Fund had been treated as Restricted Funds when they should have been treated as Designated Unrestricted Funds. The effect of the changes are shown in Note 9.

1.3.2. **Heritage Assets:** The Society's Archive Collection consists of Heritage Assets. It was first included in our Accounts in 2000 at valuation and was subsequently depreciated over 20 years. However, it is now clear that generally the market values of individual items have been maintained or increased over the period leading to an understatement of their value. Therefore the Collection was revalued at 1 January 2020 and will now be subject to an annual impairment review. The effect of the changes is shown in Note 2.

1.4. **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.

1.5. **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.

1.6. **Donated Heritage Assets for Archive Collection:** These are recognised at their estimated market value.

1.7. **Stocks:** Stocks of unsold goods, if any, are valued at the lower of cost or realisable value.

1.8. **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.

1.9. **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 a Revaluation Reserve.

1.10. **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.

1.11. **Cash Flow Statement:** As permitted by Section 1A of FRS102, the Council of Management has not prepared a cash flow statement as the Society is a small entity.

2. **Heritage Assets - Archive Collection:** The Society owns a collection of relics relating to paddle steamers. The relevant accounting policy has been changed from 1 January 2020 as described in Note 1.3.2. The Collection was revalued at market value at 1 January 2020 and is subject to an annual impairment process. Movements in 2019 and 2020 may be summarised as follows:

	Donated At valuation	Purchased At cost	Total
	£	£	£
Carrying amount at 1 January 2019	40,049	8,883	48,932
Additions	4,995	50	5,045
Disposals	-	-	-
Depreciation	(5,177)	(792)	(5,969)
Revaluation	-	-	-
Carrying amount at 1 January 2020	39,867	8,141	48,008
Additions	950	-	950
Disposals	-	-	-
Impairment	-	-	-
Revaluation	5,183	72,114	77,297
Carrying amount at 31 December 2020	46,000	80,255	126,255

Accounting standards also require the publication of a five year summary

Summary analysis of heritage asset transactions

	2020	2019	2018	2017	2016
	£	£	£	£	£
Purchases	-	50	1,996	-	1,738
Donations	950	4,995	1,910	-	1,750
Total additions	950	5,045	3,906	-	3,488

Charge for impairment (2020) or depreciation (prior years)

Donated items	-	(5,177)	(4,926)	(4,831)	(4,831)
Purchased items	-	(792)	(790)	(690)	(690)
Total charge	-	(5,969)	(5,716)	(5,521)	(5,521)

There were no disposals during the five year period.

3. Programme related investments are as follows:

	2020	2019
	£	£
Shares in Paddle Steamer Kingswear Castle Trust Limited (PSKCT)	55	55
Shares in Waverley Steam Navigation Co. Limited (WSN)	51	51
Loans to WSN	117,201	117,201
Shares in Dart Valley Railway Limited (DVR)	1,078	1,078
	118,385	118,385

3.1. Subsidiary undertakings:

- 3.2. 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 2020 the aggregate amount of its capital and reserves was £878,283 (2019 - £862,559), both including £333,709 transferred from PSPS, and its net income for the year then ended was £15,724 (2019 – £13,756).

3.3. The holding of shares in WSN, the owner of P.S. Waverley, represents 68% 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 2019 the aggregate amount of its group capital and reserves was £2,872,391 (2018 - £2,688,053) and its group net income for the year then ended was £184,336 (2018 – net expenditure of £418,541). P.S. Waverley is operated by Waverley Excursions Limited (WEL) which is wholly owned by WSN.

3.4. 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.

3.5. Other programme related investment:

3.6. 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.

4. Other Investments held to generate income or for their investment potential consisted of a holding in Charities Official Investment Fund Income Units in both 2019 and 2020.

5. Debtors are made up as follows:

	2020	2019
	£	£
Trade debtors	25	1,360
Prepayments and accrued income	5,129	940
	<u>5,154</u>	<u>2,300</u>

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

	2020	2019
	£	£
Trade creditors	(2,199)	(4,893)
Annual subscriptions in advance	(21,661)	(21,264)
Life Membership Equalisation Account	(997)	(1,050)
	<u>(24,857)</u>	<u>(27,207)</u>

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

	2020	2019
	£	£
Life Membership Equalisation Account	(7,384)	(7,574)

8. Provisions for Liabilities may be analysed as follows:

	2020	2019
	£	£
Carrying amount at 1 January	(76,840)	(127,315)
Grant paid	76,840	125,465
Grant commitments made	(12,641)	(74,990)
Carrying amount at 31 December	<u>(12,641)</u>	<u>(76,840)</u>

- 9. Fund movements:** Following a review of practice, it was identified that elements of the General division of the Restoration and Preservation Fund and Archive Development Fund had been treated as Restricted Funds when they should have been treated as Designated Unrestricted Funds. The effect of the reclassification is shown in this table:

Fund name	Fund balances at 31 December 2018 £	Reclassifications £	Fund balances at 1 January 2019 £
Restricted funds			
Restoration and Preservation Fund			
General	371,861	(344,896)	26,965
P.S. Waverley	1,255	-	1,255
P.S. Kingswear Castle	7,764	-	7,764
Revaluation reserve	40,641	(40,641)	-
Archive Development Fund	-	3,088	3,088
Total restricted funds	421,521	(382,449)	39,072
Unrestricted funds			
General Fund	76,471	-	76,471
Restoration and Preservation Fund			
General	-	344,896	344,896
Waverley	-	-	-
Revaluation reserve	-	40,641	40,641
Dyer Bequest	128,970	-	128,970
Archive Development Fund	47,472	(3,088)	44,384
Archive Collection Reserve	40,049	-	40,049
Total unrestricted funds	292,962	382,449	675,411
Total Funds	714,483	-	714,483

The movements in funds, restated where applicable, may be summarised as follows:

2019 RESTATED

Fund name	Fund balances at 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Restricted funds						
Restoration and Preservation Fund						
General	26,965	2,699	(29,664)	-	-	-
P.S. Waverley	1,255	359,528	(360,783)	-	-	-
P.S. Kingswear Castle	7,764	105	-	-	-	7,869
Revaluation reserve	-	-	-	-	-	-
Archive Development Fund	3,088	42	-	-	-	3,130
Total restricted funds	39,072	362,374	(390,447)	-	-	10,999
Unrestricted funds						
General Fund	76,471	54,023	(65,335)	25,070	-	90,229
Restoration and Preservation Fund						-
General	344,896	63,998	(281,700)	40,369	13,798	181,361
Waverley	-	14,214	(119,823)	105,609	-	-
Revaluation reserve	40,641	-	-	(40,369)	2,585	2,857
Dyer Bequest	128,970	-	-	(128,970)	-	-
Archive Development Fund	44,384	3,012	-	(1,709)	-	45,687
Archive Collection Reserve	40,049	4,995	(5,176)	-	-	39,868
Total unrestricted funds	675,411	140,242	(472,034)	-	16,383	360,002
Total Funds	714,483	502,616	(862,481)	-	16,383	371,001

2020

Fund name	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Restricted funds						
Restoration and Preservation Fund						
General	-	2,068	(2,068)	-	-	-
P.S. Waverley	-	101,267	(101,267)	-	-	-
P.S. Kingswear Castle	7,869	44	-	-	-	7,913
Archive Development Fund	3,130	47	(2,812)	-	-	365
Total restricted funds	10,999	103,426	(106,147)	-	-	8,278
Unrestricted funds						
General Fund	90,229	43,506	(31,711)	(3,400)	-	98,624
Restoration and Preservation Fund						
General	181,361	123,161	(6,226)	-	-	298,296
Waverley	-	21,325	(24,725)	3,400	-	-
Revaluation reserves	2,857	-	-	-	14,737	17,594
Archive Development Fund	45,687	6,217	-	-	-	51,904
Archive Collection Reserve	39,868	950	-	-	63,653	104,471
Total unrestricted funds	360,002	195,159	(62,662)	-	78,390	570,889
Total Funds	371,001	298,585	(168,809)	-	78,390	579,167

- 10. Restricted Funds** comprise the **Restoration and Preservation Fund**, which holds funds donated for P.S. Waverley or P.S. Kingswear Castle, or either of them and the **Archive Development Fund** which holds monies given for the development of the Archive Collection.
- 11. 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.
- 12. Commitments:** At 31 December 2020 there were no unprovided commitments (2019: Nil).
- 13. Related Party Transactions:** The Society is related to the following companies because it has a majority shareholding, as described in Note 3.
- 13.1. Paddle Steam Kingswear Castle Trust Ltd (PSKCT)
- 13.1.1. During 2020 the Society made a grant of £1,330 (2019: £1,190) to PSKCT towards storage costs.
- 13.1.2. There was no balance outstanding at either year-end.
- 13.2. Waverley Steam Navigation Co Ltd (WSN)
- 13.2.1. The Society had outstanding loans of £117,201 to WSN at 31 December 2019 (2018: £117,201).
- 13.2.2. During 2020 the Society made or committed grants of £133,891 (2019: £803,094) to WSN for P.S. Waverley.
- 13.2.3. During 2020 the Society paid deposits totalling £4,475 to WEL for two charters of P.S. Waverley. These charters were postponed to 2021 and this amount is included in Prepayments.
- 14. Trustee Remuneration:** None of the trustees have been paid any remuneration or received any other benefits from an employment with the Society (2019 - Nil). No person connected with a trustee received any remuneration from the Society (2019: Nil). Trustees and related parties contributed accumulated donations of £1,125 (2019 - £41,729).
- 15. Trustee Expenses:** 3 trustees received reimbursements of travel and accommodation costs incurred in the course of their duties totalling £237 (2019 - £3,271).
- 16. Staff Costs and Employee Benefits:** Nil (2019 - Nil).
- 17. Cost of Independent Examination and Other Financial Services:** £1,140 was accrued for independent examination services (2019 - £1,140) and no other services were provided to the Society (2019 - 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 2020.

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: 21st June 2021