

PORT WILLIAM INSHORE RESCUE SERVICE
(A company limited by guarantee)

Report and Financial Statements
For the Year Ended 31 May 2019

Charity number SC027347
Company number SC185631

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Port William Inshore Rescue Service
Report and Financial Statements for the Year Ended 31 May 2019

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Port William Inshore Rescue Service

Report and Financial Statements for the Year Ended 31 May 2019

The trustees, who are also the directors of the charity, present their report and financial statements for the year ended 31 May 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing 1 January 2016)

Objectives and Activities

The company's objects and principal activities are the protection of life by the provision and maintenance of an inshore rescue facility available for use in any emergency life saving situation connected with use by the general public of the inland and coastal waters of the United Kingdom.

The company promotes its activities through publicity in cooperation with the press and other sources as well as the distribution of information pamphlets and other literature.

The operation of the café and extension of public awareness programmes are conducive to the attainment of the company objectives.

Achievements and Performance

During the year the crew responded to eight call outs from HMCG Belfast, two being to assist Police Scotland. In extreme weather alerts, the crew members made themselves available to carry out day and night time patrol duties.

The members give willingly of their time and skills, providing a high standard of service, which is well recognised by the local community and general public.

The YESS (Youth = Sea Safety) project for children aged 9 to 12 years continues to attract participation of local school groups and youth organisations. The children enjoy the experience and it has become extremely popular with parents.

During the year The European Charities and Fisheries Fund (EMFF) provided funding of £10,058 for this project. This funding also covers the cost of three Development Officers. The charity is committed to increasing public awareness and participation of its activities as well as providing additional services for the community.

A CAF Charity Grant of £1696 was also awarded for training purposes.

An electric car charging station was installed in The View car park. The cost of the installation and servicing contract, £8035 was funded in full by the Energy Trust.

The Port William Inshore Rescue Service is actively involved in local community events. The café on the upper floor of the boatshed offers meeting facilities for local groups and clubs as well as enabling the charity to maintain a high public profile.

Apart from donations from individuals and local organisations, the charity received a generous donation of £2500 in the year from the Rothera Trust.

We extend our appreciation and thanks to those individuals, clubs and businesses who continue to contribute to our funds on an annual basis.

Overall, the past twelve months has been very successful in maintaining a high public profile allowing achievement of our ambition to raise public awareness of our activities and provide information and courses on safety at sea directed in particular to younger members of the community for their future benefit.

This year, the charity will celebrate the 40th anniversary of the establishment of the inshore rescue service.

Financial Review

The charity has generated a net increase in unrestricted funds in the year of £6,902.

Unrestricted funds consist of general funds generated by the fundraising at local community events, donations and income from the café.

The directors' policy is to build up financial reserves for the eventual replacement of the rescue craft, crew equipment and upgrading of facilities. Designated funds of £54,108 are held for this purpose. During the year proceeds of £19,108 from the sale of a building were added.

The balance of unrestricted funds at 31 May 2019 was £143,474.

Restricted funds represent reserves from funding awarded by FLAG, the Department of Transport, EMFF, CAF and the Energy Trust to be written off over the expected lifetime of the assets acquired: 10 years for the boat, slipway, tractor and trailer; 5 and 3 years for the Land Rover, crew gear and other equipment.

After related expenditure and depreciation, the balance of restricted funds at 31 May 2019 was £261,740.

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee and is governed by its Memo and Articles of Association.

The company was incorporated and registered as a charity on 11 May 1998.

In the event of the Company being wound up, anything remaining after settlement of all debts and liabilities will be paid or distributed to some charitable institution with similar objects to the objects of the company.

Recruitment and Appointment of Directors

At present there are three directors of the company to manage and promote the charity's activities.

Reference and Administrative Information

Charity name: Port William Inshore Rescue Service
Charity registration number: SC027347
Company registration number: SC185631
Registered office: Boat House
The Harbour
Port William
Newton Stewart
Dumfries & Galloway
DG8 9SF

The directors of the charitable company are its trustees for the purposes of charity law. The trustees serving during the year and since the year end are as follows:

	Appointed	Resigned
Mr. J.S. Gerrish		
Mr. G.P. McKenzie		
Mrs. H. Oxley		
Mr. G.A. Murray	30/11/2017	22/08/2018

One director serves as an employee of the company.

With the establishment of the café and the extension of public awareness activities, the charity has made significant progress in achieving its objectives and in generating the means for future sustainability.

The dedication and commitment of the directors will ensure the continuing success of the charity in meeting its objectives as well as maintaining public interest in the local community.

Responsibilities of the Directors

The trustees, who are the directors of Port William Inshore Rescue Service for the purpose of company law, are responsible for preparing the trustees report and the financial statements in accordance with applicable law and United Kingdom Accounting Standard (Generally Accepted Accounting Practice).

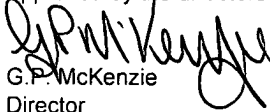
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and estimates that are reasonable and prudent; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Approved by the directors on 20 January 2020 and signed on their behalf by:


G.P. McKenzie
Director

Port William Inshore Rescue Service
Statement of Financial Activities Including the Income and Expenditure Account
For the Year Ended 31 May 2019

		Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Income from:	Notes 3				
Donations and legacies		19996	23549	43545	21973
Other trading activities		103109	0	103109	79686
Other income		12047	67	12114	364
Total income		<u>135152</u>	<u>23616</u>	<u>158768</u>	<u>102023</u>
Expenditure on:					
Raising funds		97339	3432	100771	79512
Charitable activities	4	13995	37100	51095	33454
Total expenditure		<u>111334</u>	<u>40532</u>	<u>151866</u>	<u>112966</u>
Net incoming resources before transfers		23818	-16916	6902	-10943
Gross transfers between funds		-744	744	0	0
Net movement in funds		<u>23074</u>	<u>-16172</u>	<u>6902</u>	<u>-10943</u>
Reconciliation of funds:					
Total funds brought forward		120400	277912	398312	409255
Total funds carried forward		<u>143474</u>	<u>261740</u>	<u>405214</u>	<u>398312</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

Port William Inshore Rescue Service
Balance Sheet as at 31 May 2019


	Notes	2019 £	2018 £
Fixed assets:			
Tangible assets	6	<u>310534</u>	<u>337614</u>
		<u>310534</u>	<u>337614</u>
Current assets:			
Stock		5628	2530
Debtors	7	7579	4743
Cash at bank and in hand		<u>84154</u>	<u>55512</u>
		<u>97361</u>	<u>62785</u>
Creditors: amounts falling due within one year	8	<u>-2681</u>	<u>-2087</u>
		94680	60698
Net assets		<u>405214</u>	<u>398312</u>
The funds of the charity			
Restricted funds	9	261740	277912
Unrestricted funds	9	<u>143474</u>	<u>120400</u>
		<u>405214</u>	<u>398312</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2019. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 20 January 2020 and signed on their behalf by:


G.P. McKenzie
Director

Port William Inshore Rescue Service
Notes to the Financial Statements for the Year Ended 31 May 2019

1 Accounting policies

Port William Inshore Rescue Service is a private Company limited by guarantee incorporated in Scotland. The registered office is Boat House, The Harbour, Port William, Newton Stewart, Dumfries & Galloway DG8 9SF.

a) Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing 1 January 2016). The charity is a public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

b) Going concern

The income generated by the charity continues to reflect a positive economic outlook. There are no material uncertainties about the charity's ability to continue as a going concern

c) Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

d) Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

e) Resources expended

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

f) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation, which is provided at rates calculated to write off the cost of each asset over its expected useful life on a straight line basis.

Building	25 years
Boat & Slipway	10 years
Plant & Machinery	5 and 3 years
Vehicle	5 years

g) Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

h) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value, which is the amount the charity would be willing to pay on the open market.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

j) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

k) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Donations and legacies:				
Gifts	19996	0	19996	15579
Energy Trust	0	8035	8035	0
CAF	0	1696	1696	0
EMFF	0	13818	13818	0
Department of Transport	0	0	0	6394
	<u>19996</u>	<u>23549</u>	<u>43545</u>	<u>21973</u>
Other trading activities:				
Sales: Café	89921	0	89921	68303
Fancy Goods & Gifts	6919	0	6919	9311
Fundraising: Buy a Brick, Promotional	6269	0	6269	2072
	<u>103109</u>	<u>0</u>	<u>103109</u>	<u>79686</u>
Other income:				
Gain on Disposals	10108	67	10175	0
Fuel Duty	1641	0	1641	0
Electricity Tariff	298	0	298	239
Rent	0	0	0	125
	<u>12047</u>	<u>67</u>	<u>12114</u>	<u>364</u>
Total	<u>135152</u>	<u>23616</u>	<u>158768</u>	<u>102023</u>

Income received in 2018 from the Department of Transport was restricted income.

4 Expenditure

	Unrestricted Funds 2019	Restricted Funds 2019	Total Funds 2019	Total Funds 2018
Charitable activities - operation of lifeboat				
Direct costs:				
Rent, insurance, utilities	3029	0	3029	3241
Equipment maintenance	3683	386	4069	6452
Site maintenance	484	0	484	0
Depreciation	2401	29168	31569	19325
Support costs:	4398	7546	11944	4436
	<u>13995</u>	<u>37100</u>	<u>51095</u>	<u>33454</u>

Support costs are allocated as follows:-

Management costs				
Administration expenses	3568	7546	11114	3696
Legal fees	0	0	0	0
Governance costs	830	0	830	740
	<u>4398</u>	<u>7546</u>	<u>11944</u>	<u>4436</u>

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Other trading activities - Café				
Direct costs:				
Costs: Café Purchases	26610	0	26610	16445
Fancy Goods & Gifts	2144	0	2144	4094
Fundraising : Buy a Brick, Promotional	1291	0	1291	232
Salaries	47519	0	47519	38570
Insurance, utilities	10769	0	10769	7111
Property Repairs	170	0	170	1659
Equipment Maintenance	565	0	565	782
Cleaning	703	0	703	661
Miscellaneous costs	1556	0	1556	1168
Administration costs	810	0	810	810
Bank Charges	723	0	723	544
Depreciation	4479	3432	7911	7436
	<u>97339</u>	<u>3432</u>	<u>100771</u>	<u>79512</u>

5 Staff costs and other transactions

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Salaries, wages and related costs	No.			
Director's salary	1 12108	0	12108	10882
Staff salaries	7 33479	0	33479	27131
Social security costs	1444	0	1444	483
Pension contributions	488	0	488	74
	<u>47519</u>	<u>0</u>	<u>47519</u>	<u>38570</u>
Governance costs				
Accountancy	350	0	350	350
Independent Examiner	480	0	480	390
	<u>830</u>	<u>0</u>	<u>830</u>	<u>740</u>

One of the trustees, serving as café manager, was paid remuneration of £12,108 (2018 £10,882).

No trustee has received any other benefits from the charity or a related entity (2018 £nil).

No trustee expenses have been incurred (2018 £nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2018 £nil).

No employees received remuneration of more than £60,000 in 2019 and 2018.

6 Tangible fixed assets

	Site & Shed £	Plant & Equipment £	Vehicle £	Total £
Cost:				
At 31 May 2018	234931	156468	25253	416652
Additions	1176	22647	0	23823
Disposals	-9000	-3458	0	-12458
At 31 May 2019	<u>227107</u>	<u>175657</u>	<u>25253</u>	<u>428017</u>
Depreciation:				
At 31 May 2018	0	63888	15150	79038
Disposals	0	-1035	0	-1035
Charge for the year	9035	25395	5050	39480
At 31 May 2019	<u>9035</u>	<u>88248</u>	<u>20200</u>	<u>117483</u>
Net book value:				
At 31 May 2019	<u>218072</u>	<u>87409</u>	<u>5053</u>	<u>310534</u>
At 31 May 2018	<u>234931</u>	<u>92580</u>	<u>10103</u>	<u>337614</u>

7 Debtors: amounts falling due within one year

	2019 £	2018 £
Prepayments and accrued income	<u>7579</u>	<u>4743</u>

8 Creditors: amounts falling due within one year

	2019 £	2018 £
PAYE	204	18
Other creditors and accruals	<u>2477</u>	<u>2069</u>
	<u>2681</u>	<u>2087</u>

9 Movements in funds

	At 1 June 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 May 2019 £
Unrestricted funds:					
Designated funds	35000	0	0	19108	54108
General funds	85400	135152	111334	-19852	89366
	<u>120400</u>	<u>135152</u>	<u>111334</u>	<u>-744</u>	<u>143474</u>

The designated funds are held for the replacement of the inshore rescue boat and equipment/facilities upgrades.

	At 1 June 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 May 2019 £
Restricted funds:					
FLAG	254979	67	22858	0	232188
Dept. of Transport	22933	0	6836	0	16097
Energy Trust	0	8035	1742	0	6293
CAF	0	1696	0	0	1696
EMFF	0	13818	9096	744	5466
	<u>277912</u>	<u>23616</u>	<u>40532</u>	<u>744</u>	<u>261740</u>

The FLAG funding was for a new rescue craft and launching vehicle, together with an upgrade to the boat shed.

The Department of Transport funding was for the purchase of a new tractor, trailer and equipment.

Energy Trust funding was for the purchase of an electric car charging station.

CAF income was funding for crew training still to be expended.

EMFF income was for the purchase of equipment for the YESS project and funding for the services of three development officers.

10 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	55276	255258	310534
Bank and cash	82301	1853	84154
Other net current assets/(liabilities)	5897	4629	10526
	<u>143474</u>	<u>261740</u>	<u>405214</u>

**Independent examiner's report to the trustees of
Port William Inshore Rescue Service**

I report on the attached accounts of the charity for the year ended 31 May 2019 which are set out on pages 5 to 11.

Respective Responsibilities of the trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiners report

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with the records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide all evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiners statement

In the course of my examination, no matter has come to my attention

- 1 which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



27/2/2020

John Simpson FCA
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Newton Stewart
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