

**FINANCIAL REPORT FOR YEAR ENDING 30<sup>TH</sup> SEPTEMBER 2020**

The following is an unaudited summary of the annual financial statements of the Deltic Preservation Society Limited for the year October 1<sup>st</sup> 2019 to 30<sup>th</sup> September 2020. A summary final accounts have been posted on the website and the full annual accounts will be available later to members upon request after the AGM.

The accounts are produced on the basis that the company is a going concern and complies with the Charities Act 2011. The company qualifies as a small company under section 382 of the Companies Act 2006, the strategic report required for medium and large companies under this Act (Strategic Report and Directors Report) Regulations 2013 has therefore been omitted. The 2020 Accounts are currently with our auditors and a summary will be posted on our web site as soon as they are available.

The charity has a wholly owned subsidiary DPS Commercial Services Limited through which we carry out trading activities with all profits gifted aided to the charity as soon as possible.

The company/charity is governed by the Memorandum and Articles of Association of the Companies Act 2006 and the Charities Act 2011. It is a charitable company limited by Guarantee. Each member's liability is limited to £1. The object of the company continues to be the promotion and encouragement of restoration, preservation, maintenance and operation of English Electric Deltic locomotives and other diesel locomotives.

**COMMENTARY**

Covid-19 and the failure of D9009 in March 2019 had major effects on the Societies performance in the year ending 30<sup>th</sup> September 2020.

**Income**

Membership has remained constant during the year with subscriptions reflecting a full year's increase in membership fees. Despite our activities being curtailed due to the Covid virus donations were only slightly down on the previous year again reflecting members concerns by supporting the Society in difficult times.

DPS Commercial Gift Aid reflects the companies trading profit for the financial year to 30<sup>th</sup> September 2019. This was gift aided to the Society in June 2020. DPSCS Ltd profits for 2020 will be lower due to reduced activity.

Two legacies were received during the year. Legacies provide a boost for our future plans helping us to undertake major locomotive overhauls. Both families have been thanked for the donations.

Raffles were down due to not operating any mainline tours or attending Heritage events. A further £10,000 final settlement for loss of income following the D9009 incident have been reimbursed by our insurers.

**Expenditure;**

D9009. A final settlement was agreed with our insurers in June bringing the total received to £282,586 of which £183,580 relates to the repair of the traction motors. The settlement will cover the rebuild and testing phases but does not cover other work needed to regain mainline certification. At year end £40,800 was outstanding on the final traction motor repair. These costs are offset against the insurance money and therefore do not reflect in our accounts. The balance of the unspent insurance money at year end is carried forward in our balance sheet to spend in 2021.

Other items purchased for our locomotives fell from £64,643 to £22,318. The Covid virus and depot closure had a major effect on work carried out during the year which will need to be caught up before our Deltic's re-enter service.

Subcontractor costs relate to craneage at the depot whilst consumables relate to the purchase of oils and miscellaneous items for the locomotives.

Overheads fell by £8744. This reflects the reduction in the number of Deltic Deadline issues (£2958 – 6 issues down to four) and the effects of the depot closure due to Covid.

The surplus in the 2020 accounts has been brought about by delayed expenditure due to the depot closure which will have to be caught up if we are to gain a quick return to the main line.

Adjustments to our restricted funds including the closure of the Tulyar bogie appeal accounts for the differences between the provisional document and the final accounts.

**A Final Word On Going Forward Into 2020.**

The settlement from our insurers gives confidence that we can repair D9009 but the time delay due to Covid will impact on income for the next two years.