

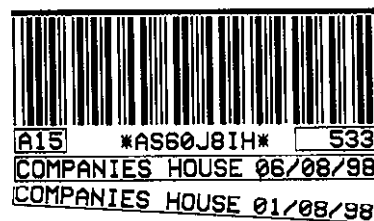
**SS 'GREAT BRITAIN' PROJECT LIMITED**

**FINANCIAL STATEMENTS**

**31ST JANUARY 1998**

**Company Registration Number 1000878**

**MAXWELLS**  
**Chartered Accountants & Registered Auditors**  
**73 Queen Square**  
**Bristol**  
**BS1 4JP**



**SS 'GREAT BRITAIN' PROJECT LIMITED**

**MEMBERS OF THE COUNCIL**

**AS AT 31ST JANUARY 1998**

President	: HRH The Duke of York CVO ADC
Vice-Presidents	: The Reverend Dr Ewan Corlett OBE : Sir Jack Hayward OBE : Sir Paul Getty : Dr Basil Greenhill CB CMG
Chairman	: Sir Richard Gaskell
Vice-Chairman	: J A S Burn MC
Hon. Treasurer	: David M Parkes
Members	: J Anstey : Max Beaumont : Cdr J R Blake MBE : Lawrence Brandes CB : Rear Admiral E J W Flower CB : Dennis Griffiths : G A W Hicks : Richard Hill JP : Dr Andrew D Lambert : A T Mitchell C Eng : John Pool : Alderman Brian Richards JP : Roger W Smedley : Dr David Starkey : Lord Strathcona and Mount Royal : Sir Robert Wall OBE

## **SS 'GREAT BRITAIN' PROJECT LIMITED**

### **REPORT OF THE COUNCIL**

**YEAR ENDED 31ST JANUARY 1998**

The Members of the Council have pleasure in presenting their report and the financial statements of the company for the year ended 31st January 1998.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was the preservation and restoration of the ss 'Great Britain'.

There have been no significant changes in the objects for which the company was established.

Income from normal activities and fund-raising increased by some 5% in the year but exceptional costs incurred in preparing for the HLF bid, including the appointment of a Curator, resulted in an overall deficit for the year of £61,891.

Since the year end a lease of the Maritime Heritage Centre has been granted by the City Council of Bristol, for a term of five years from 31 March 1997 at a peppercorn rental. Provision has been made within these accounts for the rates payable from that date to the year end. Responsibility for all other costs will commence in the next financial period. A grant is available from the local authority for partial recovery of all costs.

Full details of the results, the company's financial position and the movements on the Reserve Fund are shown in the attached financial statements.

### **MEMBERS OF THE COUNCIL**

The full membership of the Council at the year end is set out on the previous page.

Council members retire in rotation in accordance with the Articles of Association and the following, being eligible, offer themselves for re-election:

J A S Burn  
G A W Hicks  
Sir Robert Wall

Rear Admiral E J W Flower  
A T Mitchell

Dennis Griffiths has signified his intention not to seek re-election.

### **RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL**

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Members of the Council are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Members of the Council must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**SS 'GREAT BRITAIN' PROJECT LIMITED**

**REPORT OF THE COUNCIL (continued)**

**YEAR ENDED 31ST JANUARY 1998**

**RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL (continued)**

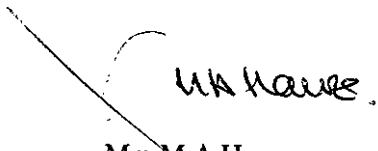
The Members of the Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Members of the Council are also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

**AUDITORS**

A resolution to re-appoint Maxwells as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Great Western Dock  
Gas Ferry Road  
Bristol  
BS1 6TY

Signed on behalf of the Council

  
Mrs M A Hawes  
Company secretary

Approved by Order of the Council on 23rd March 1998

**SS 'GREAT BRITAIN' PROJECT LIMITED**

**AUDITORS' REPORT TO THE MEMBERS**

**YEAR ENDED 31ST JANUARY 1998**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**RESPECTIVE RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL AND THE AUDITORS**

As described in their report, the Members of the Council of the company are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Members of the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**GOING CONCERN**

These financial statements have been prepared on a going concern basis assuming the continuing availability of financing facilities for the normal day to day requirements of the company. Fund-raising is under way to provide for the commitment referred to in note 8 and the financial statements do not include any adjustments that might arise should the transaction not proceed. Due to the importance of this matter we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31st January 1998 and of its deficiency for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

73 Queen Square  
Bristol  
BS1 4JP

MAXWELLS  
Chartered Accountants  
& Registered Auditors

23rd March 1998

## SS 'GREAT BRITAIN' PROJECT LIMITED

## INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST JANUARY 1998

		1998	1997
		£	£
<b>INCOME</b>	(Note 2)	283,454	269,077
<b>GRANTS</b>	(Note 3)	88,299	149,349
		<u>371,753</u>	<u>418,426</u>
<b>RESTORATION AND MAINTENANCE</b>			
Ship restoration costs		17,855	22,108
Consultancy fees		22,026	16,653
Museum and archives		3,337	1,491
Deck repair		87,398	118,995
Maintenance of ship		5,975	6,020
Wages and salaries		56,997	54,911
		<u>193,588</u>	<u>220,178</u>
		178,165	198,248
<b>ADMINISTRATIVE OVERHEADS</b>			
Salaries and personnel costs		115,786	92,055
Staff recruitment		5,366	-
Rates and water		9,806	5,380
Light and heat		6,709	3,812
Insurance		8,222	10,971
Repairs and maintenance		4,113	2,426
Motor and travel		8,322	7,701
Vehicle leasing charges		3,578	3,631
Telephone		3,063	1,510
Curator office costs		2,515	-
Equipment leasing charges		3,059	610
Printing, stationery, PR & media		21,924	10,546
Computer costs		2,734	-
Training costs		2,178	-
Sundry expenses		4,146	3,797
Exhibition costs		3,496	-
Lottery feasibility expenditure		25,759	15,552
Auditors remuneration		2,275	1,975
Bank charges		-	800
		<u>233,051</u>	<u>160,766</u>
<b>OPERATING (DEFICIT)/SURPLUS</b>		(54,886)	37,482
Bank interest payable		<u>7,005</u>	<u>6,039</u>
<b>EXCESS OF (EXPENDITURE OVER INCOME) /</b>			
<b>INCOME OVER EXPENDITURE FOR YEAR</b>		<u>(61,891)</u>	<u>31,443</u>

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 12 form part of these financial statements.

## SS 'GREAT BRITAIN' PROJECT LIMITED

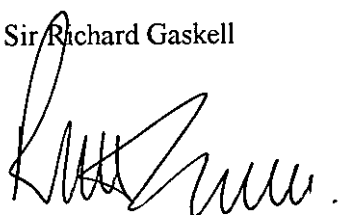
## BALANCE SHEET

31ST JANUARY 1998

		1998	1997
	Note	£	£
<b>FIXED ASSETS</b>			
Tangible assets:			
ss 'Great Britain'	5.	-	1,000
Loan to subsidiary re premises and equipment	6.	160,701	160,701
Investments	7.	15,700	15,700
		<u>176,401</u>	<u>177,401</u>
<b>CURRENT ASSETS</b>			
Debtors:			
Income tax recoverable		18,997	20,723
Other debtors		21,350	540
Prepayments and accrued income		45,364	4,467
		<u>85,711</u>	<u>25,730</u>
Cash at bank and in hand		818	12,480
		<u>86,529</u>	<u>38,210</u>
<b>CREDITORS: Amounts falling due within one year</b>	9.	<u>(220,767)</u>	<u>(111,557)</u>
<b>NET CURRENT LIABILITIES</b>		<b>(134,238)</b>	<b>(73,347)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>42,163</b></u>	<u><b>104,054</b></u>
<b>Represented by:</b>			
<b>RESERVE FUND BALANCE</b>	12.	<u>42,163</u>	<u>104,054</u>
<b>TOTAL FUNDS</b>		<u><b>42,163</b></u>	<u><b>104,054</b></u>

These financial statements were approved by the Executive Committee on the authority of the Council on the 23rd March 1998 and are signed on their behalf by:

Sir Richard Gaskell



David M Parkes



**SS 'GREAT BRITAIN' PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JANUARY 1998**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Company status**

The Company is limited by Guarantee and is a registered charity.

**Consolidation**

Group accounts have not been prepared as, in the opinion of the Council, the inclusion of the assets and liabilities of the subsidiary in the Balance Sheet of the project would not be meaningful to the members. Accordingly, the exemption available to small companies under Section 248 of the Companies Act 1985 has been invoked.

**Cash flow statement**

The Members of the Council have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

**Income**

Income represents donations and grants received by the company together with income from fund-raising and the trading and banqueting companies, exclusive of Value Added Tax where applicable.

Donations and fund-raising income are recognised on a received basis. Grants and income from trading and banqueting is recognised on a receivable basis.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account. By virtue of the nature of the scheme no unfunded liability can arise.



**SS 'GREAT BRITAIN' PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JANUARY 1998**

**2. INCOME**

	1998	1997
	£	£
Receipts from SS 'Great Britain'		
Trading Limited (Note 13)	121,158	122,593
Licence fee from SS "Great Britain"		
Banquets plc	43,322	38,480
Income from fund-raising:		
Donations	80,685	39,365
Deeds of covenant and subscriptions	15,696	16,077
Sponsor a Plank	292	18,920
Sponsor the Heart	9,554	-
Draw tickets	6,823	14,266
Sponsored walk	-	3,216
Festival of the Sea - donations from visitors	-	11,729
Friends of ss 'Great Britain' Project	976	1,267
	<u>114,026</u>	<u>104,840</u>
Miscellaneous income	4,948	3,164
	<u>283,454</u>	<u>269,077</u>

**3. GRANTS**

Grants of £88,299 from National Heritage Memorial Fund were approved during the year towards the costs of redecking and planking the weather deck.

A grant of £67,500 from the Heritage Lottery Fund for feasibility studies (to include 75% costs of Curator's salary, conservation plan and options appraisal) was approved.

**4. HERITAGE LOTTERY FUND APPLICATION**

The following expenditure has been incurred in preparing an application to the Heritage Lottery Fund.

	1998	1997
	£	£
Site investigation	3,767	726
Professional fees	14,302	13,564
Research, promotion and fund-raising costs	7,690	1,262
	<u>25,759</u>	<u>15,552</u>

**SS 'GREAT BRITAIN' PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JANUARY 1998**

**5. ss 'GREAT BRITAIN'**

For the purposes of the financial statements, the Council consider that the ship is a museum object and effectively inalienable under the charitable purposes of the company. Accordingly, the nominal figure of £1,000 hitherto included within the Balance Sheet has been charged to museum and archive expenses. All restoration costs are charged against income in the year in which they are incurred. The ship is insured against fire and other perils for £3m.

**6. LOAN TO SUBSIDIARY**

The substantial expenditure on the development of the short leasehold dockside premises by the Company's subsidiary has been wholly financed by a loan from the Company at a commercial rate of interest with no formal repayment terms.

The auditors of the subsidiary have qualified their report on the grounds that no depreciation has been charged on the leasehold expenditure and this treatment does not follow the Statement of Standard Accounting Practice No. 12 issued by the Accounting Standards Committee. The Council are in agreement with the policy adopted in the accounts of the subsidiary since any charge for depreciation would not be fully deductible for tax purposes and a liability to Corporation Tax would ultimately arise.

**7. INVESTMENTS**

	1998 £	1997 £
Shares in SS 'Great Britain' Trading Limited	100	100
Shares in SS "Great Britain" Banquets plc	15,500	15,500
National Savings	100	100
	<u>15,700</u>	<u>15,700</u>

SS 'Great Britain' Trading Limited is a wholly owned subsidiary.

The Company has a holding of 46,250 shares in SS "Great Britain" Banquets plc (equivalent to 6.6% of the equity share capital).

**SS 'GREAT BRITAIN' PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JANUARY 1998**

**8. CAPITAL COMMITMENTS**

	1998 £	1997 £
Contracted but not provided for in the accounts	<u>225,000</u>	<u>-</u>

The company has entered into a contract to purchase a freehold property adjacent to its current leasehold premises. Included in other debtors is a deposit of £11,250 which has been paid and it is anticipated that completion will be within the next twelve months.

**9. CREDITORS: Amounts falling due within one year**

	1998		1997	
	£	£	£	£
Bank loans and overdrafts				
General account	20,423		-	
Lottery account	<u>44,761</u>		<u>14,125</u>	
		65,184		14,125
Trade creditors		73,436		27,991
Amounts owed to group undertakings		67,201		53,622
Other creditors including:				
PAYE and social security	4,453		2,934	
Other loans	<u>-</u>		<u>11,000</u>	
		4,453		13,934
Accruals and deferred income		<u>10,493</u>		<u>1,885</u>
		<u>220,767</u>		<u>111,557</u>

**SS 'GREAT BRITAIN' PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JANUARY 1998**

**10. PARTICULARS OF EMPLOYEES**

	1998		1997	
	Group	Company	Group	Company
The average number of staff during the year was:				
Restoration and maintenance	5	5	5	5
Office and management	5	5	4	4
Trading Company staff	10	-	8	-
	<u>20</u>	<u>10</u>	<u>17</u>	<u>9</u>

Staff costs during the year comprised:

	£	£	£	£
Restoration and maintenance	56,997	56,997	54,911	54,911
Administration	94,113	94,113	75,153	75,153
Trading Company staff	107,093	-	87,352	-
Social Security costs	21,918	14,234	17,735	11,430
Pension costs	10,871	7,439	8,912	5,472
Redundancy and severance costs	-	-	3,183	-
	<u>290,992</u>	<u>172,783</u>	<u>247,246</u>	<u>146,966</u>

No employee earned £40,000 per annum or more.

**11. COMMITMENTS UNDER OPERATING LEASES**

At 31st January 1998 the company had annual commitments under non-cancellable operating leases as set out below.

	1998 Assets other than land and buildings £	1997 Assets other than land and buildings £
Operating leases which expire:		
Within 1 year	895	-
Within 2 to 5 years	3,842	4,189
	<u>4,737</u>	<u>4,189</u>

**12. RESERVE FUND BALANCE**

	1998 £	1997 £
Balance brought forward	104,054	72,611
Excess of income over expenditure / (expenditure over income) for the year	(61,891)	31,443
Balance carried forward	<u>42,163</u>	<u>104,054</u>

## SS 'GREAT BRITAIN' PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1998

## 13. NET TRADING PROFIT OF SS 'GREAT BRITAIN' TRADING LIMITED

	1998		1997	
	£	£	£	£
<b>INCOME</b>				
Admission receipts (100,350 visitors; 1997 - 100,841 visitors)		261,913		241,298
Gross profit from sale of souvenirs		65,094		57,330
Miscellaneous		7,373		5,434
		<u>334,380</u>		<u>304,062</u>
<b>EXPENDITURE</b>				
Wages, salaries & National Insurance	118,209		97,097	
Redundancy & severance costs	-		3,183	
Building maintenance & repairs	6,001		4,746	
Insurance, heating & lighting	16,160		17,137	
Printing, stationery advertising & promotion	39,915		39,042	
Postage, carriage & telephone	2,156		4,169	
Consultancy fees	10,854		-	
Auditors fees	2,700		2,500	
Bank charges & interest	1,699		1,673	
Miscellaneous expenses	13,012		8,567	
Depreciation	2,516		3,355	
		<u>213,222</u>		<u>181,469</u>
		121,158		122,593
Interest to Holding Company on dockside development loan		13,870		12,853
Net profit covenanted to Holding Company		<u>107,288</u>		<u>109,740</u>