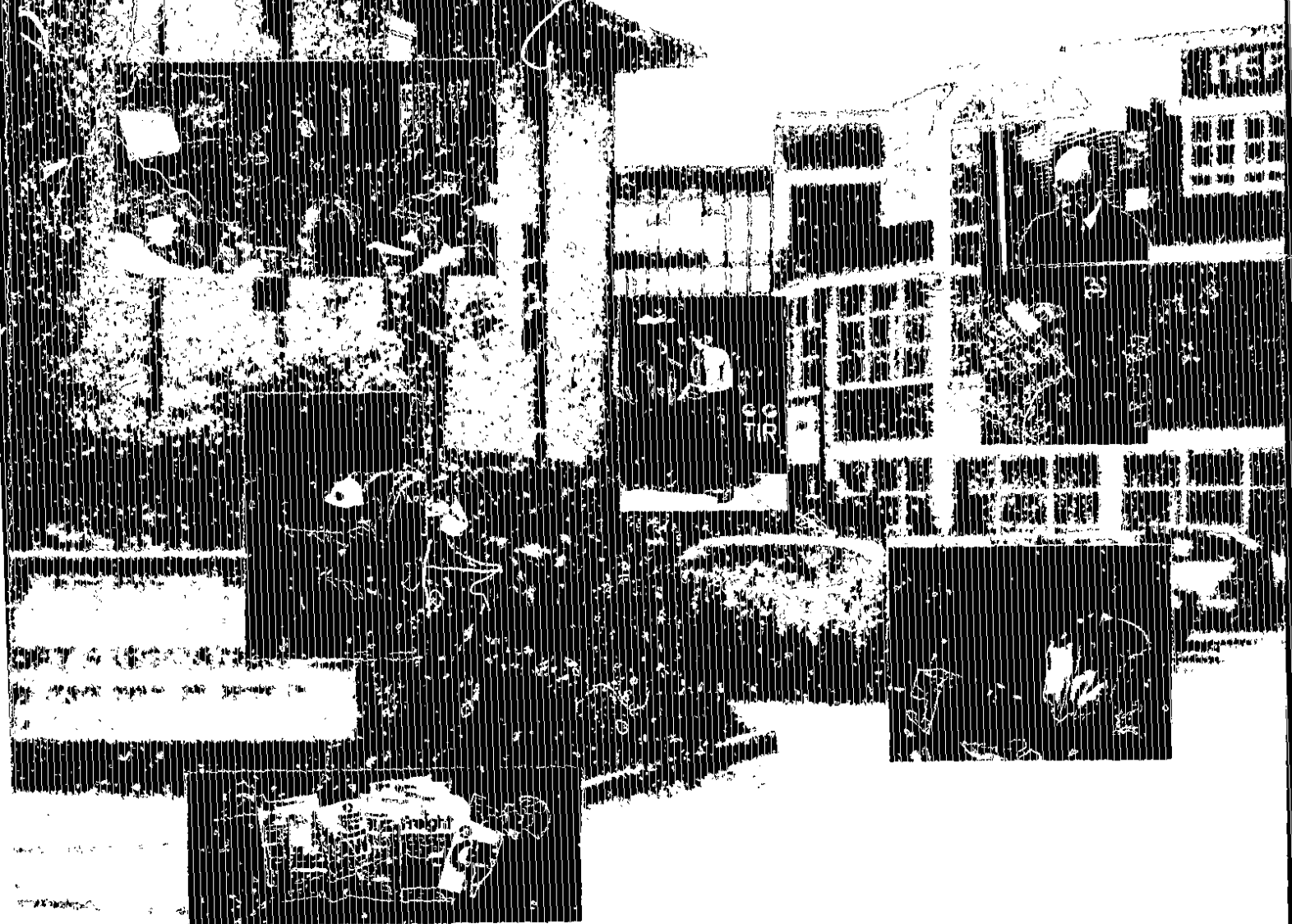




FREIGHT TRANSPORT ASSOCIATION
DIRECTORS' REPORT AND ACCOUNTS
1991



YEAR ENDING 31 DECEMBER 1991
INCORPORATING NOTICE OF ANNUAL GENERAL MEETING

Freight Transport Association Limited

ANNUAL GENERAL MEETING 1992

Notice is hereby given that the Annual General Meeting of the Freight Transport Association Limited will be held at the London Hilton, Park Lane, London W1, at 10.00 am on Tuesday 28 April 1992 for the purpose of transacting the following business.

1. Annual Report

To receive the Report of the Directors for the year 1991.

2. Annual Accounts

To receive the Income and Expenditure Account for the year ended 31 December 1991, the Balance Sheet as at that date and the Auditors' Report.

3. Auditors

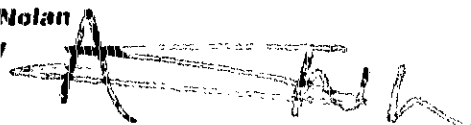
To appoint Auditors and to fix their remuneration.

4. Other Business

To deal with any other business admitted by the Chairman.

Hermes House, St John's Road
Tunbridge Wells, Kent, TN4 9UZ
19 March 1992

By order of the National Executive Board
Roger S Nolan
Secretary



Freight Transport Association Limited

THE REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1991

Your Directors have pleasure in submitting their Report and Accounts for the year ended 31 December 1991. For the purposes of the Companies Act 1985 members of the National Executive Board are Directors. The names of those persons who were members of the Board at any time in 1991 appear below.

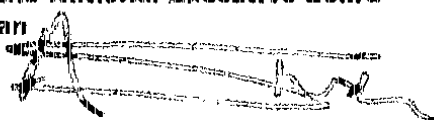
The Association acts as a trade association for trade and industry in so far as the organisations in membership operate or use freight transport for or in connection with their businesses. During the year it continued its policy of providing a range of advisory and practical services to the membership and of pursuing a vigorous and responsible representational role. The total membership of the Association at 31 December 1991 was 12,869 and the state of the Association's affairs is set out in the Accounts shown on the following pages.

Formal arrangements exist for the management team to discuss and contribute to the financial, economic and social objectives of the Association and regularly to brief all staff on the activities in which the Association is engaged. During the year the Association maintained its policy of giving full and fair consideration to applications for employment made by disabled people.

Changes in the tangible assets of the Association are detailed in Note 2 of the Accounts. It is considered that the market value of the Association's freehold properties is in excess of the amounts shown in the Accounts.

The auditors, W J Calder, Sons & Co, retire in accordance with the provisions of the Companies Act 1985 and a resolution for their reappointment will be proposed at the Annual General Meeting.

By order of the National Executive Board
Roger S Nolan
Secretary



19 March 1992

NATIONAL EXECUTIVE BOARD 1991/92

President and chairman: A G Lafone, Glaxo Pharmaceuticals UK Ltd

Vice-chairmen: R A Clark, J Sainsbury plc
W B Houseman MBE, J Bibby Agriculture Ltd

Honorary treasurer: C A Lawrence, Wincanton Distribution Services Ltd

Members of the Board: B K R Burns, NFC plc
A R A Cooper, Imperial Tobacco Ltd
J D Frost, Castle Cement (Padeswood) Ltd
A J Halfpenny, Tees & Hartlepool Port Authority
D Joyce, HP Bulmer Drinks Ltd
G D N Miller, Home Brewery plc
J P Richardson, The Boots Co plc
A G Stanton OBE, Tibbett & Britten Group plc

The following also held office during the year:

J W Phillips, Glynwed Consumer & Building Products Ltd
F M P Pearce, ECC International (Sales) Ltd

Freight Transport Association Limited

Balance Sheet 31 December 1991

1990			1991	
£	£		£	£
		Fixed Assets:		
	3,048,281	Tangible Assets (Note 2)		3,522,692
		Current Assets:		
110,585		Stocks for resale at invoiced cost or net realisable value	65,297	
2,303,022		Debtors (Note 3)	2,301,515	
		Investments at cost:		
178,383		Listed (market value £88,364 — 1990 £189,703)	75,000	
		Deposits at short notice	1,271,000	
1,162,000		Cash at Bank and in hand	155,773	
31,046				
<u>3,785,036</u>			<u>3,868,585</u>	
		Creditors:		
3,468,003		Amounts falling due within one year (Note 4)	3,866,278	
	317,033	Net Current Assets		2,307
<u>£3,365,314</u>		Total Assets Less Current Liabilities		<u>£3,524,999</u>
		Capital and Reserves		
		Accumulated Fund:		
2,906,781		Balance as at 1 January 1991	3,122,712	
215,931		Unappropriated surplus for the year	118,704	
<u>3,124</u>		Balance as at 31 December 1991	3,241,416	
65,000		Property and Refurbishing Fund (Note 5)	90,632	
83,027		Pension Reserve Fund (Note 5)	116,151	
90,000		Special Contingency Fund (Note 5)	72,409	
4,900		Centenary Award Fund (Note 5)	4,391	
<u>£3,365,314</u>			<u>£3,524,999</u>	

A G LAFONE, President

C A LAWRENCE, Honorary Treasurer

Signed on behalf of the
National Executive Board
19 March 1992

Freight Transport Association Limited

Income and Expenditure Account for the Year ended 31 December 1991

1990			1991	
£	£		£	£
9,103,289	Turnover (Note 7)		10,006,096	
4,845,939	Direct service costs		5,648,107	
<u>4,257,350</u>	Gross Surplus		<u>4,357,989</u>	
4,062,330	Administration expenses (Note 10)		<u>4,189,897</u>	
<u>195,020</u>	Operating Surplus		<u>168,092</u>	
27,291	Income from listed investments	14,909		
207,472	Income from deposits	186,219		
<u>15,483</u>	Rent received	<u>17,342</u>		
250,246		218,470		
<u>69,891</u>	Taxation (Note 9)	<u>53,872</u>		
180,355			164,598	
<u>5,556</u>	Surplus on redemption of listed investments		<u>176</u>	
380,931	Surplus for the year		332,866	
---	Exceptional item (Note 13)		(78,500)	
43,636	Prior Year Adjustment (Note 11)		<u>74,729</u>	
<u>424,567</u>			<u>329,095</u>	
80,000	Transfer to Property and Refurbishing Fund (Note 5)	80,000		
33,636	Transfer to Pension Reserve Fund (Note 5)	90,000		
90,000	Transfer to Special Contingency Fund (Note 5)	40,000		
<u>5,000</u>	Transfer to Centenary Award Fund (Note 5)	<u>391</u>		
208,636			210,391	
<u>£215,931</u>			<u>£118,704</u>	

The Notes on pages 8 to 11 form part of these Accounts

Report of the Auditors to the Members of the Freight Transport Association Limited

We have audited the Financial Statements on pages 5 to 11 in accordance with Auditing Standards

In our opinion the Financial Statements give a true and fair view of the state of the Association's affairs as at 31 December 1991 and of its Income and Expenditure and Source and Application of Funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and the Trade Union and Labour Relations Act 1974.

25 Lower Belgrave Street
London SW1W 0LS
19 March 1992

W.J. Calder
W.J. Calder, Sons & Co
Chartered Accountants
and Registered Auditor

Source and Application of Funds for the Year ended 31 December 1991

Freight Transport Association Limited

Notes to the Accounts for 1991

Note 1 Accounting Policies

These financial statements have been prepared under the historic cost convention, in accordance with applicable accounting standards.

Details of any accounting policies which have a material effect on these Accounts are set out in the Balance Sheet, Income and Expenditure Account or the Notes to the Accounts.

Note 2 Tangible Assets

	Cost	Depreciation	Net Book Value
	£	£	£
Freehold Property			
Balance at 1 January 1991	2,046,560	273,460	
Additions during 1991	399,678	—	
Provision in 1991	—	46,825	
	<u>£2,446,238</u>	<u>£320,285</u>	2,125,953
Furniture and Equipment			
Balance at 1 January 1991	351,525	191,077	
Additions during 1991	69,595	—	
Provision in 1991	—	85,376	
	<u>421,120</u>	<u>276,953</u>	
Written-off during 1991	<u>(10,000)</u>	<u>(5,000)</u>	
	<u>£411,120</u>	<u>£271,953</u>	139,167
Motor vehicles			
Balance at 1 January 1991	1,984,782	881,320	
Additions during 1991	383,898	—	
Provision in 1991	—	512,088	
	<u>2,368,680</u>	<u>1,393,408</u>	
Disposals during 1991	<u>375,672</u>	<u>302,501</u>	
Prior Year Adjustment (Note 11)	<u>—</u>	<u>74,729</u>	
	<u>£1,993,008</u>	<u>£1,016,178</u>	976,830
Computer			
Balance at 1 January 1991	56,427	45,156	
Additions during 1991	314,407	—	
Provision in 1991	—	44,936	
	<u>370,834</u>	<u>90,092</u>	
Written-off during 1991	<u>33,885</u>	<u>33,885</u>	
	<u>£336,949</u>	<u>£56,207</u>	280,742
Net Book Value at 31 December 1991			<u>£3,522,692</u>

Depreciation has been charged by reference to the cost and effective lives of Motor Vehicles, Computer Facilities, Furniture and Equipment at the rate of 25% per annum. In accordance with Statement of Standard Accounting Practice No 12, depreciation has been charged against the estimated cost of Freehold Buildings on the basis of a 50 year life. Excess depreciation on the sale of fixed assets amounted to £77,059 (1990 £125,523).

Freight Transport Association Limited

Notes to the Accounts for 1991

Note 3 Debtors

1990		1991
£		£
2,013,240	Debtors for goods and services	2,173,994
42,632	Other debtors	5,067
247,150	Prepayments and accrued income	122,454
<u>£2,303,022</u>		<u>£2,301,515</u>

Note 4 Creditors Amounts falling due within one year

£		£
468,237	Trade and other creditors	507,151
246,823	Creditors for payroll and other taxes	328,631
	Accruals and deferred income:	
1,831,539	Vehicle inspection services	1,794,953
829,651	Other member services	927,519
28,183	General accruals	256,804
63,570	Corporation Tax payable October 1992	51,220
<u>£3,468,003</u>		<u>£3,866,278</u>

Note 5 Capital and Reserves

The Association is a Company limited by guarantee and does not have any share capital. Annual surpluses or deficits are transferred to the accumulated fund.

A fund exists to meet expenditure on the Association's freehold properties. Movements in the fund during the year were:

£		£
50,174	Property and Refurbishing Fund at 1 January 1991	65,580
80,000	Allocation from income of the year	80,000
<u>130,174</u>		<u>145,580</u>
64,594	Less: Expenditure during the year	54,948
<u>£65,580</u>	Balance at 31 December 1991	<u>£90,632</u>

A fund exists to help to finance possible future commitments for early retirement and to meet cases of hardship. Movements in the fund during the year were:

£		£
73,036	Pension Reserve Fund at 1 January 1991	83,022
33,636	Allocation from income of the year	90,000
<u>106,672</u>		<u>173,022</u>
23,650	Less: Expenditure during the year	56,871
<u>£83,022</u>	Balance at 31 December 1991	<u>£116,151</u>

A fund existed to finance the development of Computer Systems within the Association. The fund has been allocated during the year as follows:

£		£
23,028	Computer Development Fund at 1 January 1991	90,000
90,000	Allocation from income of the year	---
<u>113,028</u>		<u>90,000</u>
23,028	Less: Expenditure during the year	57,591
<u>£90,000</u>	Balance at 31 December 1991	<u>£32,409</u>

Freight Transport Association Limited

Notes to the Accounts for 1991

Note 5 Capital and Reserves (continued ...)

The balance at 31 December 1991 was redesignated as a Special Contingency Fund and established to fund items of expenditure outside the normal course of the Association's business. The fund was augmented at 31 December 1991 as follows:

1990		1991
£	Special Contingency Fund	£
---	Transfer from Computer Development Fund	32,409
---	Allocation from income of the year	40,000
£ ---	Balance at 31 December 1991	£72,409

A fund exists to provide a training award for students involved in transport related subjects:

£		£
5,000	Lombard Centenary Award Fund at 1 January 1991 ...	4,000
---	Allocation from income for the year	391
5,000		4,391
1,000	Less: Expenditure during the year	---
£4,000	Balance at 31 December 1991	£4,391

Note 6 Employment Costs

£		£
4,327,779	Salaries	4,751,887
334,797	Social Security	361,105
627,624	Pensions	622,448

1991 salary costs are inclusive of redundancy payments

	The average number of employees was:	
170	Administration	166
181	Other	173
351		339

Note 7 Turnover and Gross Surplus

Turnover	Direct Costs	Gross Surplus		Turnover	Direct Costs	Gross Surplus
£	£	£		£	£	£
1,778,110	---	1,778,520	Membership fees	1,967,764	---	1,967,764
3,601,557	2,741,250	860,307	Vehicle inspection services	3,798,089	2,984,588	813,501
1,164,938	745,108	419,830	Freightcheck	1,261,819	857,234	404,585
			Training courses and			
975,162	481,949	493,213	conference fees	1,216,090	706,600	509,490
715,690	454,392	261,298	Publications including advertising	668,717	433,713	235,004
756,120	371,927	384,193	Other member services	950,986	577,438	373,548
111,302	51,313	59,989	Sundry income	142,631	88,534	54,097
9,103,289	4,845,939	4,257,350		10,006,096	5,648,107	4,357,989

Membership fees are taken to income in the year received and no provision for the prepaid portion is carried forward at the Balance Sheet date.

Only direct salaries and expenses have been charged to departments during 1991. Administrative salaries and expenses have been charged under the appropriate heading.

Freight Transport Association Limited

Notes to the Accounts for 1991

Note 8 Audit Fees

1990	1991
£	£
£21,500	£23,050

Note 9 Taxation

The Association is liable for taxation only on surpluses arising from non-members. The taxation charge for the year based on this income is as follows:

£		£
70,376	Corporation tax at 33.25% (1990 - 34.25%)	55,676
16	Irrecoverable tax credits	68
(501)	Overprovision 1990 (1989)	(1,872)
<u>£69,891</u>		<u>£53,872</u>

Note 10 Expenditure Covered by Reserve Funds

Exceptional items of expenditure are set against specific Reserve Funds so enabling the Income and Expenditure Account to display the surplus for the year before charging such items. Had SSAP6 (revised) been complied with, the effect on the Income and Expenditure Account would have been as follows:

£		£
4,062,330	Administration Expenses	4,189,897
<u>112,271</u>	Expenditure covered by Reserve Funds	<u>169,410</u>
4,174,601	Administration Expenses adjusted to comply with SSAP6	4,359,307
82,749	Adjusted Operating Surplus/(Deficit)	(1,318)
268,660	Adjusted Surplus for the Year	163,456

Note 11 Prior Year Adjustment

The accounting policy for depreciation of motor vehicles was changed at 1 January 1991 from 25% per annum on replacement cost to 25% per annum on original cost. A prior year adjustment resulted from the restatement of accumulated depreciation on 1 January 1991 to reflect the new accounting policy.

Note 12 Pension Commitments

The Association operates a contributory pension scheme which is voluntary. Entry is open to all full time members of staff who are over 20 and under 59. The scheme is of the defined benefit type with its assets held in a separate trust and invested by the trustees, G M Benefit Consultants Limited. The Association's contributions are determined by a qualified actuary on the basis of a triennial valuation using the projected unit method. The most recent valuation was in April 1990. The principal assumptions adopted in the valuation were that over the long term, the annual rate of return on investments will be 9%, that each member's pensionable salary will increase by 7.5% and pensions will increase at 5% per annum. The Association's contribution is currently 16.5% of pensionable salary, being within 0.1% of the rate recommended at the last valuation which showed the fund to be adequate and not excessive.

Note 13 Exceptional Item

During the year, the Association had joined with other bodies in a legal action to defend the interests of its members. The action had been unsuccessful and costs were awarded against the co-litigants. The exceptional item charged to the Income and Expenditure Account represents the Association's share of the costs of the action.

Freight Transport Association Limited

HEAD OFFICE

Hermes House, St John's Road, Tunbridge Wells, Kent TN4 9UZ, Tel: (0892) 526171, Telex: 957158, Fax: (0892) 534989

Director general:	G Turvey CBE, FCIS, FCIT, FILDM
Secretary and Director of finance:	R S Nolan FCA
Director of technical services and marketing:	R K Turner MSc, BSc (Hons), CEng, MICE, FIHT, FILDM
Director of International transport and distribution:	J Welsh FCIT
Director of road transport, regions and external affairs:	D C Green FILDM
Director of training and personnel:	K H Taylor MIPM
Chief accountant:	J M Randall FCMA
Controller - environmental affairs:	J E Hookham BTech, MSc
Controller - highways and traffic:	D W McIntyre MIHT
Controller - International affairs:	D W Green MCIT
Controller - legal and economic affairs:	C G Linington MA, BA (Hons)
Controller - vehicle inspection services:	D H G Moody AMIRTE

REGIONAL OFFICES

London and south-eastern region	Hermes House, St John's Road, Tunbridge Wells, Kent TN4 9UZ Tel: (0892) 526171, Fax: (0892) 534989 Regional director: J M Guttridge MIPR, MILDM
Midlands region	Hermes House, Half Street, Dudley, West Midlands DY2 7BQ Tel: (0384) 237321, Fax: (0384) 456220 Regional director: M F E Richards MCIT, MILDM
Northern region	Springwood House, Low Lane, Horsforth, Leeds LS18 5NU Tel: (0532) 589861, Fax: (0532) 586501 Regional director: R F Cross BSc
Scottish region (including Northern Ireland)	Hermes House, Melville Terrace, Stirling FK8 2ND Tel: (0786) 71910, Fax: (0786) 50412 Regional director: R M Armstrong MIPM, MILDM
Western region	Hermes House, Queen's Avenue, Clifton, Bristol BS8 1SE Tel: (0272) 731187, Fax: (0272) 238269 Regional director: F R Cook MCIT, MILDM



FREIGHT TRANSPORT ASSOCIATION LIMITED

Hermes House, St John's Road, Tunbridge Wells, Kent TN4 9UZ (Reg office)
(Registered in England no 391957)