

SUSTRANS LIMITED
(A company limited by Guarantee)

FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1992

20 JUN 92

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REGISTERED NUMBER 1797726 (ENGLAND AND WALES)

SUSTRANS LIMITED

(A company limited by Guarantee)

EXECUTIVE BOARD MEMBERS' REPORT

The members of the executive board present their report together with the financial statements for the year ended 31 March 1992. The comparative figures are for the year ended 31 March 1991.

COMPANY STRUCTURE

The company is limited by guarantee and has no share capital. The liability of each member in the event of the company being wound up is limited to £1. The company is registered as a charity with the Charity Commissioners number 326550.

PRINCIPAL ACTIVITIES

The principal activity of the company is to create and maintain safe and attractive routes for cyclists and pedestrians.

REVIEW OF ACTIVITIES

A summary of the results of the year's activities is given on page 4 of the financial statements.

The company is involved in negotiating and constructing routes at several locations throughout Britain including; Avon, East Sussex, Wiltshire, Devon, Derbyshire, Durham, Essex, Liverpool, North Yorkshire, Nottinghamshire and Cumbria, Strathclyde, Central Region and Lothian. A fuller description of these projects can be obtained in the Annual Review obtainable from the company.

The projects are being constructed for or being funded with grants from the Countryside Commission, Scottish National Heritage, Scottish Enterprise Companies, Department of Transport, Department of the Environment, British Waterways, The Sports Council, Local Authorities and other interested parties.

FUTURE DEVELOPMENTS

The bank overdraft facility at 31 March 1992 for general accounts was £340,000. Of this some £269,065 was utilised at that date. The members of the executive board consider the financial position of the company to be satisfactory. It is anticipated that further substantial asset sales will be made before 31 March 1993.

SUSTRANS LIMITED

(A company limited by Guarantee)

EXECUTIVE BOARD MEMBERS' REPORT(continued)

MEMBERS OF THE EXECUTIVE BOARD

A list of members of the executive board at 31 March 1992 is set out below:

D. Groome

A. Haynes

W. Rich

P. Strauss

G. Platts

D. Collins

P. Ashton and I. Lowry resigned during the year and W. Rich and D. Collins were appointed during the year.

FIXED ASSETS

The company continues to own land on the former Lochwinnoch Loop Line and the Paisley Canal Line forming part of the Pollok to Kilwinning route, and the Kilmacolm Line, all in Strathclyde, on the York to Selby route, and on the Consett to Sunderland route.

During the year an agreement has been entered into to sell land surplus to the requirements of the path and landscaping at Station Road, Paisley for a sum in excess of £650,000.

The members of the executive board revalued the land owned by the company on 31 March 1990 which it is their intention to dispose of. The revaluation is on the basis of offers received for such land, or estate agents' valuations of land. The members of the executive board are of the opinion that such land can be sold without detriment to the company's objectives. In all cases the funds so realised are to be used for the completion of projects, the restoration of railway bridges and for setting up funds on each individual project for the future maintenance of the former railway structures, all as provided for in the terms of agreement between Sustrans, British Rail and the respective local authorities.

During the year the company has continued negotiations with British Rail for the purchase at a nominal value of land at Liverpool, Merseyside, the disused railways from Whitehaven to Rowrah and the Foss Island Railway at York, and begun negotiations for the purchase of the Rugby to Leamington line. The purchase of the Worthington Branch Line in Derbyshire was completed shortly after the year end.

AUDITOR

The auditor, Stuart A. Griggs, Chartered Accountant, will be proposed for reappointment in accordance with S385 Companies Act 1985.

36 King Street
Bristol
BS1 4DZ

24 November 1992

By order of the executive board

P. Insall
Secretary

SUSTRANS LIMITED

REPORT OF THE AUDITOR TO THE MEMBERS OF SUSTRANS LIMITED

I have audited the financial statements set out on pages 4 to 9 in accordance with approved auditing standards.

In my opinion the financial statements, which have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings, give a true and fair view of the state of the company's affairs at 31 March 1992 and of its surplus for the year ended on that date and comply with the Companies Act 1985.

The financial statements do not include a cash flow statement as required by Financial Reporting Standard No. 1.

CA 1985 S236

Stuart A. Griggs

STUART A. GRIGGS
Chartered Accountant and
Registered Auditor
99 High Street
Yatton
Avon BS19 4DR

24 November 1992

SUSTRANS LIMITEDINCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 1992

| | <u>Notes</u> | <u>1992</u> | | <u>1991</u> |
|---------------------------------------|--------------|----------------|----------------|-------------------|
| | | £ | £ | £ |
| <u>INCOME</u> | | | | |
| Grants receivable and management fees | | 723621 | | 600043 |
| Land sales | | 252221 | | 209660 |
| Other income | | <u>23182</u> | | <u>20893</u> |
| | | | 999024 | 830596 |
| <u>EXPENDITURE</u> | | | | |
| Project costs | | 937661 | | 725561 |
| Company operating costs | | <u>26348</u> | | <u>181639</u> |
| | | | <u>964009</u> | <u>907200</u> |
| <u>OPERATING SURPLUS (DEFICIT)</u> | 2 | | 35015 | (76604) |
| Interest received on deposit account | | 8918 | | 24307 |
| Interest paid on bank overdraft | | <u>(41128)</u> | | <u>(57225)</u> |
| | | | <u>(32210)</u> | <u>(32918)</u> |
| <u>SURPLUS (DEFICIT) FOR YEAR</u> | | £ <u>2805</u> | | £ <u>(109522)</u> |

The notes on pages 6 to 9 form part of these financial statements.

SUSTRANS LIMITEDBALANCE SHEET
AT 31 MARCH 1992

| | <u>Notes</u> | £ | <u>1992</u> | £ | <u>1991</u> |
|--|--------------|---------------|-----------------|---|-----------------|
| | | | | | <u>£</u> |
| <u>ASSETS</u> | | | | | |
| <u>FIXED ASSETS</u> | | | | | |
| Tangible assets | 4 | | 1492745 | | 1747865 |
| <u>CURRENT ASSETS</u> | | | | | |
| Debtors | 5 | 183288 | | | 129732 |
| <u>CREDITORS:</u> amounts falling due within one year | 6 | <u>687098</u> | | | <u>639246</u> |
| <u>NET CURRENT LIABILITIES</u> | | | <u>(503810)</u> | | <u>(509514)</u> |
| | | | <u>£ 988935</u> | | <u>£1238351</u> |
| <u>REPRESENTED BY</u> | | | | | |
| <u>SURPLUS ON GENERAL RESERVE</u> | 9 | | 590015 | | 827138 |
| <u>RESERVE FOR YORK TO SELBY ROUTE</u> | 9 | | <u>398920</u> | | <u>411213</u> |
| | | | <u>£ 988935</u> | | <u>£1238351</u> |

Signed on behalf of the members of the executive board.

CA 1985 S233

D. Groome
D. Groome, as follows
CHAIRMAN OF THE ANNUAL GENERAL MEETING

Approved by the board : 24 November 1992

The notes on pages 6 to 9 form part of these financial statements.

SUSTRANS LIMITEDNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 19921. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The principal accounting policies of the company are set out below.

EXPENDITURE AND GRANTS

All expenditure up to 31 March 1992 payable by the company on projects under the management of the company has been included in the accounts. Some wages and operating costs were funded through various Employment Action Schemes administered by other agencies. This expenditure was not paid through the company and has not been included in the accounts.

Prior to 1 April 1991 all expenditure other than construction materials and labour were shown as company operating costs. In order more accurately to represent the administration costs of the company, company operating costs now include only genuine core costs not attributable to individual funded projects.

Grants claimable on the company's expenditure to 31 March 1992 have been included in these accounts. In some cases the grants have been made in advance of expenditure or an initial mobilisation payment received. In these cases the element of payment in advance has been included in creditors.

MANAGEMENT FEES

Management fees agreed on projects are credited to the company and debited to project costs over the life of the project regardless of when they are received. Management fees not previously agreed are credited as they are received.

TANGIBLE FIXED ASSETS

The cost to the company of freehold land and buildings purchased and of plant and office equipment is capitalised. Any deficits on the construction of cycle routes where grants do not cover costs are not capitalised but are written off to revenue.

Land not required for routes and available for disposal by the company was revalued by the members of the executive board at 31 March 1990. The proceeds from such sales are used by the company to help cover the cost of constructing paths and to build up maintenance funds for paths and bridges.

Receipts from the sale of land are credited to revenue as they are received. Where such land has previously been revalued the appropriate deduction is then made from the valuation in the reserves.

Land to be used for paths and landscaping has not been revalued, but is retained at its usually nominal purchase price. It is not the members of the executive boards' intention to dispose of such land, but were they to do so it would be of considerable value.

SUSTRANS LIMITEDNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1992(continued)TANGIBLE FIXED ASSETS (continued)

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on the straight line basis. No depreciation is written off freehold land as the members of the executive board are of the opinion that the market value is not decreasing.

The rate of depreciation used for motor vehicles and computing equipment is 30% p.a. and for other plant and machinery 15% p.a.

RESERVES

The surplus (1991 deficit) for the year shows the extent to which grants have covered project costs, and management fees have covered central overhead costs. The general reserve is in surplus due to the revaluation of land.

There is a separate reserve fund for the York to Selby route, created by the sale of assets and intended to cover potential future liabilities (see Notes 9 and 10).

TAXATION

The company is a non-profit making organisation and a registered charity with the Charity Commissioners. It is generally exempt from taxation under the Taxes Acts and there is no taxation charge for the year (1991 Nil).

2. OPERATING SURPLUS/DEFICIT

The operating surplus/deficit is stated after charging and crediting:

| | <u>1992</u> | <u>1991</u> |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Gain on disposal of assets | - | (465) |
| Depreciation of tangible fixed assets | 4074 | 4975 |
| Staff costs - note 3 | 263083 | 290073 |
| Auditor's remuneration | <u>2000</u> | <u>1500</u> |

3. STAFF COSTS

| | <u>1992</u> | <u>1991</u> |
|-----------------------|----------------|----------------|
| | £ | £ |
| Salaries | 241035 | 265612 |
| Social security costs | <u>22048</u> | <u>24461</u> |
| | <u>£263083</u> | <u>£290073</u> |

The average weekly number of employees during the year was 37 (1991 48).

Under the company's articles of association members of the executive board are not permitted to receive remuneration from the company.

The company gave employment to some other people whose wages were funded through the Employment Action Scheme, administered through other agencies.

SUSTRANS LIMITEDNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1992(continued)4. TANGIBLE FIXED ASSETS

| | <u>Freehold Land and Buildings</u> | <u>Plant and Equipment</u> | <u>Motor Vehicles</u> | <u>Total</u> |
|--------------------------|--|--------------------------------|---------------------------|--------------|
| | £ | £ | £ | £ |
| <u>Cost or Valuation</u> | | | | |
| At 1 April 1991 | 1741108 | 11312 | 9189 | 1761609 |
| Additions | - | 1175 | - | 1175 |
| Disposals | (252221) | - | - | (252221) |
| At 31 March 1992 | 1488887 | 12487 | 9189 | 1510563 |
| <u>Depreciation</u> | | | | |
| At 1 April 1991 | - | 7423 | 6321 | 13744 |
| Charge for year | - | 1856 | 2218 | 4074 |
| At 31 March 1992 | - | 9279 | 8539 | 17818 |
| <u>Net Book Value</u> | | | | |
| At 31 March 1992 | £1488887 | £3208 | £ 650 | £1492745 |
| <u>Net Book Value</u> | | | | |
| At 31 March 1991 | £1741108 | £3889 | £2868 | £1747865 |

5. DEBTORS

| | <u>1992</u> | <u>1991</u> |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Grants receivable | 177288 | 122732 |
| Sundry debtors and prepayments | 6000 | 5000 |
| Other debtors | - | 2000 |
| | <u>£183288</u> | <u>£129732</u> |

6. CREDITORS: amounts falling due within one year.

| | <u>1992</u> | <u>1991</u> |
|--|----------------|----------------|
| | £ | £ |
| Mobilisation payments and grants received in advance | 84073 | 111365 |
| Trade creditors | 231277 | 107305 |
| Accruals | 6030 | 6815 |
| Taxation (PAYE and VAT) | 87153 | 72999 |
| Bank overdraft - secured (see Note 7) | 269065 | 311262 |
| Loans | 9500 | 29500 |
| | <u>£687098</u> | <u>£639246</u> |

The loans are unsecured and are repayable on demand.

SUSTRANS LIMITEDNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1992(continued)7. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

8. LEGAL CHARGES

The company's land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council and the land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils and Sunderland Borough Council. The land situated to the west side of Station Road, Paisley and various other sites in Strathclyde, Scotland are covered by a fixed charge in favour of The Royal Bank of Scotland.

9. SURPLUS ON GENERAL RESERVE

| | <u>1992</u> | <u>1991</u> |
|--|----------------|-----------------|
| | £ | £ |
| Surplus brought forward | 827138 | 1136500 |
| Surplus (Deficit) for year | 2805 | (109522) |
| Transfer from/to reserve for York to Selby route | 12293 | (22704) |
| Reduction in reserves due to land sales | (252221) | (177136) |
| Surplus carried forward | <u>£590015</u> | <u>£ 827138</u> |

RESERVE FOR YORK TO SELBY ROUTE

| | <u>1992</u> | <u>1991</u> |
|---|----------------|----------------|
| | £ | £ |
| Reserve brought forward | 411213 | 421033 |
| Transfer to/from general reserve | (12293) | 22704 |
| Reduction in reserves due to land sales | - | (32524) |
| Reserve carried forward | <u>£398920</u> | <u>£411213</u> |

10. CONTINGENT LIABILITIES

A legal agreement exists between the company and Selby District Council whereby the company has an obligation to maintain the bridges and viaducts on the York to Selby cycle route. This long term commitment is estimated to amount to £190,000.

Similar agreements also exist in relation to the Paisley to Kilwinning and Kilmacolm route with Strathclyde Regional Council where the long term commitment is estimated to amount to £506,000 and in relation to the Consett to Sunderland route with Derwentside, Chester-le-Street and Sunderland Councils where the commitment is estimated to amount to £156,000.

The company also intends to enter into similar agreements on routes at Worthington in Derbyshire and Rowrah in Cumbria and at Liverpool although land purchases had not been completed in the period covered by these accounts.