

**THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK**  
(A company limited by guarantee)

**REPORT AND ACCOUNTS**

**30 SEPTEMBER 1997**

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Registered in England No: 2629347  
Registered Office: 80 Portland Place, London W1N 4DP  
Registered Charity No: 1004963

## **THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 1997**

It is my privilege and pleasure to present to members of The Chartered Institute of Transport in the UK my Chairman's report for the year ended 30<sup>th</sup> September 1997.

Much of the work of CIT and that of our members is heavily influenced by the political context in which decisions on transport are taken, whether at the national level or locally. The year was notable for the election, on 1<sup>st</sup> May, of a new government, a government committed to putting environmental considerations at the heart of transport. One of the first decisions taken was to abolish the Department of Transport, creating a new department, the Department of the Environment, Transport and the Regions, headed by the Deputy Prime Minister and with a second minister of Cabinet Rank with specific responsibility for transport.

Many CIT members will have mixed feelings about these changes. But I think we can all agree that if the new structure makes it easier for well-informed decisions to be taken on transport, decisions which may be unpopular in some places and with some sections of the community but which recognise the needs of the whole community for transport systems which are efficient in the widest sense, much will have been achieved.

The new government, following the publication of two consultation documents on transport, has stated that a White Paper on transport will be published in May. CIT has submitted a paper to the Government, 'Developing an Integrated Transport Policy', which as well as arguing the case for a clear national strategy for transport co-ordinated with public policy in other areas, makes specific recommendations for changes in transport policy which should be made in the next three years. The time for discussion is drawing to an end. We look to the Government for effective action to enable the transport systems we need to be provided and to ensure that we use them responsibly.

In my statement last year I said that the Institute was continuing to forge links with other bodies with an interest in transport. In the course of the year all members of the CIT were consulted on this subject, and an overwhelming majority supported in principle the merger of the Institute with another appropriate body. I believe that a more broadly based organisation would speak with a more effective voice on transport policy issues, and would provide its members with better value and a wider range of services. Discussions are currently in hand which I hope will lead to a specific proposal being put to members in the current year.

The year was notable for the establishment of a Transport Planning Group. The formal inauguration of the group was followed by the Henry Spurrier lecture, given by Mike McDonald, Professor of Transportation and Engineering, Southampton University. Professor McDonald gave his audience a memorable description of the contribution new technology could make to better use of our transport infrastructure. In the course of the year the group organised an inaugural lecture on transport planning, given in Manchester by Professor Peter Hall, Professor of Planning at University College, London. The formation of a group specifically to meet the needs of transport planners is an important development for the Institute, and we wish the group every success.

Once again, the Institute's year saw a successful programme of meetings and lectures, both at Section and national level. Two of the main lectures were devoted to aspects of rail transport. The Robert Reid lecture was given by Edward A Burkhardt, Chairman and Chief Executive Officer of English, Welsh and Scottish Railways Limited. Ed Burkhardt described the changes being made to the rail freight business, and made a strong plea for improvements in the competitive position of rail in the freight market. At the 50<sup>th</sup> Anniversary meeting of the Metropolitan Section - which was honoured, as were other CIT events in the year, by the presence of Her Royal Highness The Princess Royal - Peter Field, Managing Director, South West Trains, described the changes which had taken place in the first year following rail privatisation. On a related subject the Rail Regulator, John Swift QC, discussed 'The Regulation of a privately owned Transport Industry' in giving the Frederick Speight Lecture, organised on this occasion by the Merseyside and District Section.

The Sefton Brancker lecture was given by Professor Rigas Doganis. His subject, 'State Aid, State Airlines and a Single Market' allowed him to range widely over challenging and controversial issues of aviation politics and the financing of airlines. The Reginald Grout lecture was given by Thomas Andersen, Managing Director, Maersk Limited, who described changes likely to take place in container shipping. The Peter Allsebrook (Logistics) lecture, organised by the Yorkshire Section, was given by Brigadier Tom Blythe, Commandant of the Defence School of Transport. His presentation covered the management of logistics in the integration of the three Services transport requirements and the increasing partnerships being developed with the private sector. The Philip Henman (Overseas) lecture was given by David Waters, Chief Executive, Irish Rail and a Vice President of CIT. David Waters described the new approaches to transport being taken in a number of European countries, and the infrastructure developments which have been completed recently.

Through its training and education programmes, lectures and group and Section activities the CIT makes a valuable contribution to the professional lives of its members and to the search for excellence in the provision of transport services. The new distance-learning MSc will significantly strengthen our educational portfolio. The educational scene is constantly changing, and further new products will be required if CIT is to make its full contribution to training the transport managers of the future.

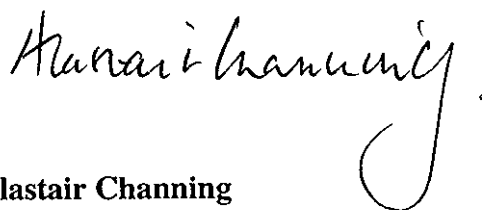
Throughout the year the institute's 25 local Sections provided varied programmes, reflecting local needs and priorities, of lectures, conferences, technical visit (including some overseas) and social events, many of these events being organised jointly with local Branches of other Institutes. The hard work and dedication of Section committee members is one of the great strengths of our Institute.

The Institute's membership increased by 75 to 10,355 at September 1997. During the year further steps were taken to market the attractions of membership and it is pleasing to see that the number of new members has increased quite considerably in the last six months.

Finances remain sound. With a small operating surplus during the year and gains on the Institute's investment portfolio, the General Fund has increased to £602,000 at September 1997. Capital of £120,000 was spent in the year on the continuing upgrade of computer facilities, a new telephone system and on a significant refurbishment and modernisation of the 4<sup>th</sup> floor of the Institute's premises at Portland Place. Additionally a major maintenance programme was carried out on the exterior of the building.

The CIT in the UK is one of ten National Councils of the international Chartered Institute of Transport and accounts for nearly half the worldwide membership. During the year the UK has played an active part in their affairs and had full representation at their two Council meetings, the first in Dublin, Ireland and the second in Harare, Zimbabwe. At the second Stewart Milne came to the end of his two year Presidency. I should like to pay tribute to the sterling service Stewart gave during his period of office. Installed as President for the current two year period was Tan Sri Dato (Dr) Abdul Aziz bin Abdul Rahman from Malaysia, a former Chairman of the Malaysian National Council and a Vice President of the Institute, so he brings with him a good understanding of the principal issues before us all.

The strength of CIT is in its members and the opportunities it offers for making contacts both within the UK and worldwide. I hope that in the coming year we shall all increase the extent in which we participate in CIT activities and encourage the recruitment of new members, bringing our enthusiasm and imagination to the service of the Institute. Finally it must not be forgotten that none of this would be possible without the work of the Director-General and his dedicated staff at 80 Portland Place who strive to serve our interests. On behalf of you all I would like to thank them for their efforts.



**Alastair Channing**  
January 1998

# **THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1997**

The Directors present their Report and the audited accounts of the Company for the year ended 30 September 1997.

### Directors' Responsibility Statement

The Directors are responsible, under the Companies Act 1985, for the preparation of financial statements for each accounting year which give a true and fair view of the state of affairs of the Company as at the end of the year and of the surplus or deficit for the year.

In preparing those financial statements the Directors are required to: select suitable accounting policies and then apply them consistently; make judgements that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. The Directors consider that they have complied fully with these requirements in preparing the financial statements on pages 9 to 17.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company at any time and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

### Company Objectives

The Company incorporates in the United Kingdom the members of The Chartered Institute of Transport. It provides for them a forum for the discussion of transport and logistics matters of interest to professional members. It stimulates debate in the UK on transport issues and policy. It offers qualifications and training in transport and logistics management.

### Review

Activities and developments throughout the 1996/97 Institute year met these objectives. The national and regional programme of events and lectures, established to encourage debate and discussion on transport issues, attracted good attendances in a large part due to the high quality of the speakers.

At 30 September 1997, overall membership figures for the UK and Europe were 10,355 a small increase on the 1996 year end figure.

The Institute has contributed actively to the national transport policy debate during the year, through the work of the Transport Policy Committee, chaired by Russell Sunderland. It has published two short papers, submitted views on a number of topics to Government and to the European Commission, and presented written evidence to two House of Commons Transport Sub Committee inquiries. The Committee has sought wider input from the membership on key topics, through internal seminars and request to Sections. Two studies by Working Parties - on the Transport & Works Act 1992 and on the funding of buses - were largely completed during the year, with published reports pending. Towards the end of the year the Committee carried out an active programme of work to prepare a response to the Government's integrated transport consultation.

Education and Training remains a very significant part of the Institute's activities. The changes in the examination system that were approved last year, have now been implemented. One important result of this is that examinations will, from 1998, be set twice a year, giving students an early opportunity to re-sit failed subjects. There has also been a major review of the Professional Entry Routes which allow access to Membership for highly experienced transport practitioners. Work has also begun on the development of training courses targeted at specific needs in the bus industry.

Development of the Institute's range of periodicals continued, with the benefit of a most cordial relationship with the publishers, and the publications continue to receive a wide measure of approval from members.

During the year the fourth edition of "Careers on the Move" was published and, after a one-year break, the National Youth In Transport competition was re-launched with the winners due to be announced during 1998.

Development of the library service will be aided by a survey of users conducted during the summer of 1997.

In March 1997, at the Spurrier Lecture, the Institute launched the Transport Planning Group, to enable transport planners to contribute to transport policy debates, to disseminate information about best practice in transport planning and to promote professional qualifications in transport planning. In the summer the Group held a weekend workshop and a full programme of events for transport planners has been planned for 1997-98.

The Directors of the Company serve without remuneration. They are listed in full after this Report.

#### Accounts

The Company's Constitution does not permit the distribution of profit. The accounts for the year show an increase in the General Fund for the year of £96,428 (1996, £46,136).

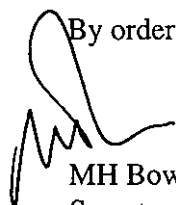
#### Fixed Assets

Details of additions to fixed assets during the year are shown in Note 5.

#### Auditors

The auditors, Price Waterhouse, have indicated their willingness to continue in office and the resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



MH Bowack  
Secretary

29 January 1998

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## DIRECTORS WHO SERVED DURING THE YEAR

	Appointed	Retired
G G Blakey	1.10.94	
G R Byers	1.10.93	30.9.97
R A Channing	22.11.95	
The Rt Hon Sir Christopher Chataway	13.6.94	
J A Cleary	15.7.91	15.5.97
D S Hellewell	1.10.96	
D Hyde	1.10.93	30.9.97
M N Pestereff	1.10.95	
G A Sheddick	1.10.96	
G R Sunderland CB	15.5.97	
J Taplin	1.10.94	
W G Thomas OBE	1.10.92	30.9.97
J K Welsby	20.3.97	
M D Woods	1.10.95	

## OFFICERS WHO SERVED DURING THE YEAR

Hon President	HRH The Princess Royal
Chairman	R A Channing
Chairman - elect	J K Welsby
Immediate Past Chairman	The Rt Hon Sir Christopher Chataway
Hon Treasurer	M N Pestereff
Directors	as set out above
Director - General	R P Botwood
Director of Education	S Gross
Director of Finance & Administration and Secretary	M H Bowack
Director of Marketing & Recruitment	N M Pope (from 15.5.97)
Director of Membership Services	J M Weatherly (until 31.12.96)
Director, Transport Policies	R G Harman (from 23.1.97)

## ADVISERS

Auditors	Price Waterhouse
Bankers	National Westminster Bank
Investment Managers	Mercury Asset Management
Solicitors	Coudert Bros

## **REPORT OF THE AUDITORS TO THE MEMBERS OF THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK**

We have audited the financial statements on pages 9 to 17 which have been prepared under the historical cost convention, as modified by the revaluation of investments, and the accounting policies set out on page 11.

### **Respective responsibilities of directors and auditors**

As described on page 5 the Company's directors are responsible for the preparation of 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 directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, 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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 September 1997 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and  
Registered Auditors  
Date: 29 January 1998

Southwark Towers  
32 London Bridge Street  
London  
SE1 9SY

THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 1997

	Unrestricted Funds		Endowment Funds	Total Funds	1996
	General	Other			
	£	£	£	£	£
<b>Income and Expenditure</b>					
<b>Incoming Resources</b>					
Subscriptions and fees	704,677	-	-	704,677	673,402
Professional Activities	148,067	-	-	148,067	202,091
Examinations and Training	209,330	-	-	209,330	254,615
Rental income	91,651	-	-	91,651	87,949
Dividends and interest	36,358	7,370	20,339	64,067	76,960
Donations and bequests	-	-	-	-	1,063
<b>Total</b>	<b>1,190,083</b>	<b>7,370</b>	<b>20,339</b>	<b>1,217,792</b>	<b>1,296,080</b>
<b>Resources Used</b>					
Professional Activities	557,720	25,349	2,133	585,202	632,241
Examinations and Training	453,429	20,923	5,493	479,845	454,176
Publications	120,880	4,024	-	124,904	109,824
<b>Total</b>	<b>1,132,029</b>	<b>50,296</b>	<b>7,626</b>	<b>1,189,951</b>	<b>1,196,241</b>
<b>Net incoming / (outgoing) resources before transfers</b>	<b>58,054</b>	<b>(42,926)</b>	<b>12,713</b>	<b>27,841</b>	<b>99,839</b>
<b>Transfers between Funds</b>	<b>(44,335)</b>	<b>53,550</b>	<b>(9,215)</b>	<b>-</b>	<b>-</b>
<b>Net Incoming Resources</b>	<b>13,719</b>	<b>10,624</b>	<b>3,498</b>	<b>27,841</b>	<b>99,839</b>
<b>Other recognised gains and losses</b>					
Gains and (losses) on investments:					
Realised	31,273	-	19,607	50,880	(4,835)
Prior year unrealised gains now realised	51,436	(51,436)	-	-	-
Unrealised	-	53,676	30,960	84,636	67,799
<b>INCREASE IN FUNDS DURING THE YEAR</b>	<b>96,428</b>	<b>12,864</b>	<b>54,065</b>	<b>163,357</b>	<b>162,803</b>
Funds brought forward, 1 October 1996	505,540	324,299	430,098	1,259,937	1,097,134
Funds carried forward, 30 September 1997	601,968	337,163	484,163	1,423,294	1,259,937

**PROFIT AND LOSS ACCOUNT** : A separate Profit and Loss Account for the Company has not been included as all the relevant transactions are shown in the General Fund above, see also Note 3, on pages 12 and 13.

The Notes on pages 11 to 17 form part of these accounts.

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## BALANCE SHEET AT 30 SEPTEMBER 1997

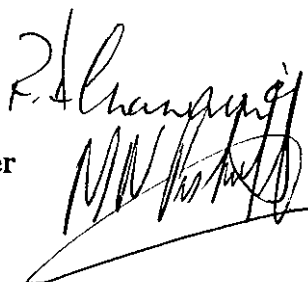
	Notes	1997 £	1996 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	5	250,332	184,960
Investments	6	<u>1,299,691</u>	<u>1,118,431</u>
		<u>1,550,023</u>	<u>1,303,391</u>
<b>CURRENT ASSETS</b>			
Stocks		2,716	1,673
Debtors	7	62,907	58,970
Cash		<u>43,363</u>	<u>191,967</u>
		108,986	252,610
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>(235,715)</u>	<u>(296,064)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(126,729)</u>	<u>(43,454)</u>
<b>NET ASSETS</b>		<u>1,423,294</u>	<u>1,259,937</u>
<b>Represented by:</b>			
Unrestricted Funds	9	939,131	829,839
Endowment Funds	10	<u>484,163</u>	<u>430,098</u>
		<u>1,423,294</u>	<u>1,259,937</u>

The Notes on pages 11 to 17 form part of these accounts.

Approved by the Board on 29 January 1998.

R A Channing - Chairman

M N Pestereff - Honorary Treasurer



**NOTES TO THE ACCOUNTS - 30 SEPTEMBER 1997**

**1. ACCOUNTING POLICIES**

- a) The accounts, which reflect the transactions of the Company (including local Sections), have been prepared under the historical cost convention, as modified by the revaluation of investments, in accordance with applicable accounting standards.
- b) Subscriptions and fees are taken into account as received with subscriptions in advance being carried forward. Other turnover is based on services invoiced.
- c) Tangible fixed assets are stated at cost. Depreciation is provided by equal instalments to write off fixed assets over their respective useful lives. The rates for depreciation/amortisation are as follows:

Leasehold property - straight line over remainder of lease

Other assets - straight line over four to ten years

- d) Investments are stated at market value. Unrealised gains or losses on the revaluation of General Fund investments are taken directly to a Revaluation Reserve. Gains or losses on the revaluation of specific fund investments are taken directly to the relevant Funds.
- e) Stock represents merchandise for sale and is valued at the lower of cost and estimated net realisable value.
- f) A contributory money purchase pension scheme is in operation and is open to all employees. Company contributions are either six or ten per cent of the employees salary. Pension costs are charged when incurred.
- g) The Company has charitable status (charity number 1004963) and therefore its income and property are exempt from all direct taxes.

**NOTES TO THE ACCOUNTS (Continued)**

**2. PREPARATION OF ACCOUNTS**

As a registered Charity, the accounts have been prepared in accordance with the Statement of Recommended Practice issued by the Charity Commission in October 1995.

In complying with these requirements, the significant features are set out below with more detailed analysis contained elsewhere within the Notes to the Accounts.

- a) Statement of Financial Activities. The Statement analyses the total movements on all Funds during the year. It incorporates the Profit and Loss Account in the General Fund.
- b) Balance Sheet. Funds and Reserves are grouped within either Unrestricted or Endowment Funds. Unrestricted Funds, which include the General Fund, are those expendable at the discretion of the Directors. Endowment Funds, which include the Library Fund and the Awards Funds, have been donated to endow the Library, lectures, to provide prizes for performance in the Institute examinations, or research into transport activities.
- c) Sections. The accumulated Funds of Sections are consolidated within the General Fund with the annual movement included in the Statement of Financial Activities. Cash balances held locally by Sections are included in cash balances in the Balance Sheet.
- d) Awards Funds. These funds are included within Endowment Funds. These are held in trust on behalf of the Awards Funds. They are represented by investments in unit trusts.

**3. PROFIT AND LOSS ACCOUNT**

The profit or loss for the year is represented by the movements during the year shown as the General Fund within the Statement of Financial Activities. The profit or loss of Sections for the year is included.

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## NOTES TO THE ACCOUNTS (Continued)

The increase in the General Fund (Profit) for the year of £13,719, 1996 £48,773, is stated after charging/(crediting):

	<u>1997</u>	<u>1996</u>
	£	£
Income from Investments	(21,719)	(25,264)
Interest receivable	(14,639)	(20,552)
Depreciation	49,846	42,424
Amortisation	5,103	4,059
Auditors remuneration	10,410	10,102
Management Fee from The Chartered Institute of Transport	<u>(122,005)</u>	<u>(115,473)</u>
Staff costs:		
Salaries	435,104	452,686
Social security costs	41,433	45,528
Other pension costs	<u>28,281</u>	<u>29,251</u>
	<u>504,818</u>	<u>527,465</u>

The average number of employees was 20, 1996 22.

	<u>1997</u>	<u>1996</u>
The number of employees whose emoluments exceeded £40,000 in the following bands was:		
£40,000 to £49,999	1	1
£50,000 to £59,999	-	1
£60,000 to £69,999	1	-

## 4. RESOURCES USED

The resources used during the year are analysed as:

	<u>Professional Activities</u>	<u>Examinations &amp; Training</u>	<u>Publications</u>	<u>Total</u>	<u>1996</u>
	£	£	£	£	£
Direct staff costs	133,010	109,677	21,195	263,882	302,560
Other direct costs	195,546	158,333	62,971	416,850	523,032
Depreciation and amortisation	27,694	22,859	4,396	54,949	47,199
Support costs	<u>228,952</u>	<u>188,976</u>	<u>36,342</u>	<u>454,270</u>	<u>323,450</u>
Total	<u>585,202</u>	<u>479,845</u>	<u>124,904</u>	<u>1,189,951</u>	<u>1,196,241</u>
of which charged to:					
Unrestricted Funds:					
General	557,720	453,429	120,880	1,132,029	1,168,349
Other	25,349	20,923	4,024	50,296	19,244
Endowment Funds	<u>2,133</u>	<u>5,493</u>	<u>-</u>	<u>7,626</u>	<u>8,648</u>
	<u>585,202</u>	<u>479,845</u>	<u>124,904</u>	<u>1,189,951</u>	<u>1,196,241</u>

Costs, including depreciation, have been allocated to activities where they are specifically identifiable. Support costs are based on the proportion of direct staff costs of each activity to the total.

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## NOTES TO THE ACCOUNTS (Continued)

### 5. TANGIBLE FIXED ASSETS

	Short Leasehold <u>Property</u> £	Computer and other <u>assets</u> £	Total <u>assets</u> £
<b><u>Cost</u></b>			
Balance at 1 October 1996	127,909	272,455	400,364
Additions	25,062	95,259	120,321
Disposals	-	(1,329)	(1,329)
Balance at 30 September 1997	<u>152,971</u>	<u>366,385</u>	<u>519,356</u>
<b><u>Amortisation/depreciation</u></b>			
Balance at 1 October 1996	30,499	184,905	215,404
Disposals	-	(1,329)	(1,329)
Charge for the year	5,103	49,846	54,949
Balance at 30 September 1997	<u>35,602</u>	<u>233,422</u>	<u>269,024</u>
<b><u>Net Book Value</u></b>			
30 September 1997	<u>117,369</u>	<u>132,963</u>	<u>250,332</u>
30 September 1996	<u>97,410</u>	<u>87,550</u>	<u>184,960</u>

The value of the leasehold property is substantially in excess of its book amount. The Company owns 85% of the lease and The Chartered Institute of Transport owns the remaining 15%.

### 6. INVESTMENTS

	<u>Total</u> £
Balance at 1 October 1996	1,118,431
Additions	1,082,676
Increase in market value	84,636
Disposals	<u>(986,052)</u>
Balance at 30 September 1997	<u>1,299,691</u>

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## NOTES TO THE ACCOUNTS (Continued)

Until July 1997 the Investment Funds of the Company were held by Henderson Crosthwaite Limited, stockbrokers, and from July 1997 were held by Mercury Asset Management Limited who have discretionary powers, subject to certain restrictions, to act on behalf of the Company in all investment matters. The investments of the Company are pooled with those of The Chartered Institute of Transport and are managed as a single portfolio. They are held within unit trusts as shown below. The Company's share of profits or losses on disposal of investments, changes in market value and investment income are allocated to it in proportion with the value of its investment to the total portfolio of investments.

### Summary of investment portfolio

	<u>1997</u>	<u>1996</u>
	£	£
Held by Henderson Crosthwaite Ltd:		
Fixed interest	-	304,498
Listed equities	-	1,030,384
Cash	-	150,308
Held by Mercury Asset Management Ltd:		
33 KWS Overseas Accumulation Units	24,824	-
33 KWS Overseas Distribution Units	90,335	-
Charinco Accumulation Units	60,708	-
Charinco Distribution Units	230,082	-
Charishare Accumulation Units	271,982	-
Charishare Distribution Units	<u>1,038,267</u>	<u>-</u>
Investments	1,716,198	1,485,190
Less: Held by The Chartered Institute of Transport	416,507	366,759
Balance at 30 September 1997	<u><u>1,299,691</u></u>	<u><u>1,118,431</u></u>
Analysis of the above investments:		
General Fund	511,641	459,308
Leasehold Replacement Fund	303,887	229,025
Library Fund	217,687	194,777
Awards Funds	266,476	235,321
	<u><u>1,299,691</u></u>	<u><u>1,118,431</u></u>

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## NOTES TO THE ACCOUNTS (Continued)

### 7. DEBTORS

	1997	1996
	£	£
Trade debtors	34,243	44,815
Other debtors	6,544	11,427
Prepayments and accrued income	22,120	2,728
	<u>62,907</u>	<u>58,970</u>

### 8. CREDITORS

	£	£
Trade creditors	63,147	41,074
Other creditors	16,912	28,601
Taxation and social security	11,246	12,564
Accruals and deferred income including subscriptions received in advance	144,410	213,825
	<u>235,715</u>	<u>296,064</u>

The Company pays its suppliers in accordance with agreed terms and conditions. The average number of days taken to pay suppliers was 31, 1996 21 days.

### 9. UNRESTRICTED FUNDS

The movements during the year were as follows:

	Other Funds				Total	Total
	General Fund	Revaluation Reserve	Leasehold Replacement Fund	Premises Maintenance Fund		
	£	£	£	£	£	£
Balances at 1 October 1996	505,540	61,763	229,025	33,511	324,299	829,839
Statement of Financial Activities	96,428	(28,702)	74,862	(33,296)	12,864	109,292
Balances at 30 September 1997	<u>601,968</u>	<u>33,061</u>	<u>303,887</u>	<u>215</u>	<u>337,163</u>	<u>939,131</u>

Of the General Fund, £56,962, 1996 £55,587, was held locally by Sections to support their continuing professional activities.

The Revaluation Reserve records the difference between cost and market value of the investments which relate to the General Fund. The Leasehold Replacement Fund has been established to provide a sum of money with which to purchase a property or income from which will pay rent on replacement premises when the lease expires on 80 Portland Place in 2021. An amount is transferred from income each year and this sum is reviewed every third year. The Premises Maintenance Fund equalises the cost of premises maintenance through an annual provision from income against which is charged the cost of work carried out during the year.

# THE CHARTERED INSTITUTE OF TRANSPORT IN THE UK

## NOTES TO THE ACCOUNTS (Continued)

### 10. ENDOWMENT FUNDS

The movements during the year were as follows:

	Library <u>Fund</u>	Awards <u>Funds</u>	<u>Total</u>
	£	£	£
Balances at 1 October 1996	194,777	235,321	430,098
Statement of Financial Activities	<u>22,910</u>	<u>31,155</u>	<u>54,065</u>
Balances at 30 September 1997	<u>217,687</u>	<u>266,476</u>	<u>484,163</u>

The balances on the Awards Funds were:

	<u>1997</u>	<u>1996</u>
	£	£
Peter Allsebrook Fund	14,356	12,331
Robert Bell Fund	11,279	10,116
Sir William Chamberlain Fund	50,460	43,324
CMUA Fellowship Fund	27,405	24,377
Henman Fund	95,032	83,416
GH Hill Fund	2,244	1,923
National Association of Port Employers Fund	20,826	18,740
Transport Tutorial Fund	<u>44,874</u>	<u>41,094</u>
	<u>266,476</u>	<u>235,321</u>