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**The Central Tramway Company,  
Scarborough, Limited**

Company No. 14873

Report and Accounts  
for the period ended

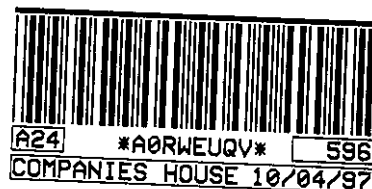
3 November 1996

**Coulsons**

Chartered Accountants  
*Two Belgrave Crescent  
Scarborough*

A MEMBER OF

*The UK 200 Group*  
PRACTISING CHARTERED ACCOUNTANTS



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that THE ONE HUNDRED & FIFTEENTH ANNUAL GENERAL MEETING of THE CENTRAL TRAMWAY COMPANY SCARBOROUGH LTD, will be held at 16 Percy Street, Rotherham on 2 April 1997 to transact the ordinary business of the Company.

The Books for the registration of the transfer of shares will be closed until after the meeting.

By Order of the Board

H Temple

Secretary

Upper Station, Marine Parade, Scarborough

N.B - A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of him and that Proxy need not also be a member.

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

3 NOVEMBER 1996

DIRECTORS  
L D Purshouse, Chairman  
H Temple  
N D Purshouse  
I G Purshouse  
Mrs B Purshouse  
Mrs J Marshall  
Mrs V Purshouse  
Mrs W Purshouse

SECRETARY  
H Temple

AUDITORS  
Coulsons  
Chartered Accountants  
2 Belgrave Crescent  
Scarborough  
YO11 1UD

BANKERS  
Midland Bank plc  
33 St Nicholas Street  
Scarborough  
YO11 2HN

SOLICITORS  
Gichard & Co  
31-33 Doncaster Gate  
Rotherham  
South Yorkshire  
S65 1DF

REGISTERED OFFICE  
Upper Station  
Marine Parade  
Scarborough  
YO11 2ER

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

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2	Report of the Auditors
	Accounts, comprising:
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The following page does not form part of the Statutory Accounts

11	Trading and Profit and Loss Account
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# THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

## REPORT OF THE DIRECTORS

The Directors submit their Annual Report with the Accounts of the Company for the period ended 3 November 1996.

### PRINCIPAL ACTIVITY

The Company's principal activity is that of operating a tramway lift situated at Marine Parade. Scarborough.

### RESULTS AND DIVIDENDS

The profit on ordinary activities for the period, after taxation, was £29,623 which after deducting the final dividend totalling £12,588 (including the write back of previously unclaimed dividends) has increased the Profit and Loss Account to be carried forward to £265,197.

### DIRECTORS AND THEIR INTERESTS

The Directors at 3 November 1996 and their interests in the share capital of the Company were as follows:-

	<u>3 November 1996</u>	<u>31 October 1995</u>
	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
Mr L D Purshouse	65	65
Mr H Temple	117	74
Mr N D Purshouse	418	418
Mr I G Purshouse	508	508
Mrs B Purshouse	302	322
Mrs J Marshall	518	518
Mrs V Purshouse	10	10
Mrs W Purshouse	10	10

### DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those Accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the Accounts;
- prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors 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 Accounts comply with the Companies Act 1985. They 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.

### SMALL COMPANY EXEMPTIONS

This Report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985, on the grounds that, in the opinion of the Directors, the Company is entitled to those exemptions as a small Company.

By Order of the Board



Lewis D Purshouse  
Chairman

10 February 1997

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

We have audited the Accounts on pages 3 to 10 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the Company's Directors are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit, on those Accounts 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 Accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Accounts, 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 Accounts 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 the information in the Accounts.

OPINION

In our opinion the Accounts give a true and fair view of the state of the Company's affairs as at 3 November 1996 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Coulsons  
Chartered Accountants and  
Registered Auditors  
Scarborough  
12 February 1997

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 3 NOVEMBER 1996

	<u>Notes</u>	<u>1996</u> £	<u>1995</u> £
TURNOVER	2	130,460	125,289
Operating Charges		(64,036)	(66,851)
Administrative Expenses		(71,474)	(53,778)
OPERATING (LOSS)/PROFIT	3	(5,050)	4,660
Income from fixed asset			
Investments - rents receivable	4	47,868	38,892
- dividends receivable		233	258
Profit/(Loss) on Disposal of Investments		1,852	(1,506)
Interest Receivable		-	251
Interest Payable on Overdraft and Bank Loan		(4,749)	(6,100)
Movement on provision for diminution in value of investments	8	(690)	1,940
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		39,464	38,395
Taxation on Profit on Ordinary Activities	5	(9,841)	(9,441)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		29,623	28,954
Dividends	6	(12,588)	(12,588)
		17,035	16,366
Retained Profits Brought Forward		248,162	231,796
Retained Profits Carried Forward		£265,197	£248,162

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

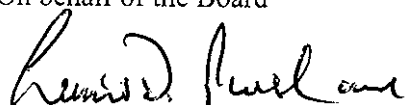
THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

BALANCE SHEET  
AT 3 NOVEMBER 1996

	Notes	1996	1995
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	7	378,770	372,339
Investments	8	5,212	7,710
		<u>383,982</u>	<u>380,049</u>
<b>CURRENT ASSETS</b>			
Stock	1d	450	1,000
Debtors	9	7,693	10,592
Cash at Bank and in Hand		30,940	14,974
		<u>39,083</u>	<u>26,566</u>
CREDITORS: Amounts falling due within one year	10	41,899	37,484
<b>NET CURRENT LIABILITIES</b>		<u>(2,816)</u>	<u>(10,918)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>381,166</u>	<u>369,131</u>
CREDITORS: Amounts falling due after more than one year	10	35,000	40,000
		<u>£346,166</u>	<u>£329,131</u>
<b>CAPITAL AND RESERVES</b>			
Called Up Share Capital	11	10,510	10,510
Share Premium Account		765	765
Investment Revaluation Reserve	12	69,694	69,694
Profit and Loss Account		265,197	248,162
Equity Shareholders' Funds	13	<u>£346,166</u>	<u>£329,131</u>

The Directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the Company is entitled to those special exemptions as a small company.

On behalf of the Board



Lewis D Purshouse - Director

Approved by the Board on 10 February 1997



**THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE PERIOD ENDED 3 NOVEMBER 1996**

	<u>1996</u>	<u>1995</u>
	£	£
PROFIT for the financial year after taxation	29,623	28,954
Unrealised (Deficit) on revaluation of investment properties	-	(1,357)
TOTAL RECOGNISED GAINS relating to the year	<u>£29,623</u>	<u>£27,597</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the Profit and Loss Account and the result on an unmodified historical cost basis is not material.

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 3 NOVEMBER 1996

1. ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The Accounts are prepared under the historical cost convention as modified by the revaluation of investment properties.

(b) TURNOVER

Turnover represents passenger fares.

(c) FIXED ASSETS

All fixed assets are initially recorded at cost. Freehold land and buildings deemed to be investment properties are revalued at each year end with any surplus over cost being reflected in the investment revaluation reserve.

(d) DEPRECIATION

The Directors have considered the Statement of Standard Accounting Practice No. 12. The Directors believe that the amount of depreciation chargeable on properties for the year is not material considering the cost of the buildings from which operations are carried on and bearing in mind their estimated future life. Depreciation on buildings has, therefore, not been provided.

The motor vehicles and equipment are being depreciated at 20% on a reducing balance basis. This should write off the cost of each asset, less residual value over its expected useful life.

(e) STOCK

Stock of spares is stated at the lower of cost and net realisable value.

(f) DEFERRED TAXATION

No provision is required for deferred taxation.

(g) CASH FLOW STATEMENT

The Company has implemented Financial Reporting Standard 1 (FRS 1) and taken advantage of the exemption from preparing a Cash Flow Statement on the grounds that it qualifies as a small Company.

2. TURNOVER

The turnover is attributable to the one principal activity of the Company being that of operating a tramway lift situated at Marine Parade, Scarborough.

3. OPERATING (LOSS)/PROFIT

This is stated after charging the following:-

	<u>1996</u> £	<u>1995</u> £
Directors' Emoluments	£60,819	£45,215
	<u>          </u>	<u>          </u>
Auditors' Remuneration	£ 1,800	£ 1,800
	<u>          </u>	<u>          </u>
Depreciation	£ 3,972	£ 2,504
	<u>          </u>	<u>          </u>

# THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 3 NOVEMBER 1996 (Continued)

	<u>1996</u>	<u>1995</u>
	£	£
4. RENTS RECEIVABLE		
Income from rental of properties and advertising space	49,151	54,385
Expenditure on repairs, management commissions, advertising etc	(1,283)	(15,493)
	<u>£47,868</u>	<u>£38,892</u>

Rental income for the previous year includes an exceptional item of income re the surrender of a lease.

5. TAXATION		
Corporation Tax is provided on the adjusted profit on ordinary activities for the period at an average rate of 24.4% (1995 - 25%)	9,794	9,390
Tax on franked investment income	47	51
	<u>£ 9,841</u>	<u>£ 9,441</u>
6. DIVIDENDS		
Final proposed - £6 per share (1995 - £6)	12,612	12,612
Unclaimed dividends written back	(24)	(24)
	<u>£12,588</u>	<u>£12,588</u>
7. TANGIBLE FIXED ASSETS		

	<u>*Investment Properties</u>	<u>Freehold Land</u>	<u>Buildings and Equipment</u>	<u>Motor Car</u>	<u>Weighing Machine</u>	<u>Total</u>
	£	£	£	£	£	£
Cost/Valuations						
At 1 November 1995	350,000	3,000	16,214	11,840	170	381,224
Additions during period	-	-	1,098	15,265	-	16,363
Disposals during period	-	-	-	(11,840)	-	(11,840)
At 3 November 1996	<u>£350,000</u>	<u>3,000</u>	<u>17,312</u>	<u>15,265</u>	<u>170</u>	<u>385,747</u>
Depreciation						
At 1 November 1995	-	-	2,836	5,880	169	8,885
Charge for the Year	-	-	919	3,053	-	3,972
	-	-	-	(5,880)	-	(5,880)
At 3 November 1996	<u>£ -</u>	<u>£ -</u>	<u>£ 3,755</u>	<u>£ 3,053</u>	<u>£169</u>	<u>£ 6,977</u>
Net Book Values						
At 3 November 1996	<u>£350,000</u>	<u>£3,000</u>	<u>£13,557</u>	<u>£12,212</u>	<u>£ 1</u>	<u>£378,770</u>
At 31 October 1995	<u>£350,000</u>	<u>£3,000</u>	<u>£13,378</u>	<u>£ 5,960</u>	<u>£ 1</u>	<u>£372,339</u>

\* The Investment Properties were valued at 3 November 1996 on an open market value basis by I G Purshouse, a Director of the Company. The historic cost of these properties is £280,306.

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 3 NOVEMBER 1996  
(Continued)

8. INVESTMENTS

	<u>Total</u> £
Cost	
At 1 November 1995	40,070
Additions	224
Disposals	(2,032)
	<hr/>
At 3 November 1996	£38,262
	<hr/>
Provision for diminution in value:	
At 1 November 1995	32,360
Increase in Provision	690
	<hr/>
At 3 November 1996	£33,050
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Net Book Value	
At 3 November 1996	£ 5,212
	<hr/>
At 31 October 1995	£ 7,710
	<hr/>
Market Value at 3 November 1996	£ 5,351
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The above includes investments listed on the London Stock Exchange at a cost of £15,106 (1995 - £16,914). The market value of those shares at 3 November 1996 was £5,168 (1995 - £9,468).

Although not required for Statutory Accounts purposes the Directors wish to disclose additional information relating to the investments as follows:-

	<u>1996</u> <u>Cost</u> £	<u>Market Value</u> £
Consolidated Coal plc		
3,000 Ord Shares of 1p	3,651	735
London and Overseas Freighters plc		
88 New Ord Shares of 25p	795	77
Corporate Services Group plc		
954 Ord Shares of 10p	3,885	1,617
Singer & Freidlander Group plc		
2,000 Ord Shares of 10p	2,089	2,540
£315 8.5% Conv Sub Ord Uns Ln Stock 2009/14	315	151
Property Trust (PVT) Holdings Ltd		
75 Common Shares of 25p	1,214	21
Gartland Whalley & Barker plc		
200 Ord Shares of 50p	23,156	183
Dares Estates plc		
190 Ord Shares of 10p	3,157	27
	<hr/>	<hr/>
	£38,262	£5,351
	<hr/>	<hr/>

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 3 NOVEMBER 1996  
(Continued)

	<u>1996</u>	<u>1995</u>
	£	£
9. DEBTORS		
Other Debtors	6,871	9,712
Prepayments	822	880
	<u>£ 7,693</u>	<u>£10,592</u>
Included in Other Debtors is an amount of £3,153 (1995 - £3,153) relating to Advance Corporation Tax which falls due after more than one year.		
10. CREDITORS: Amounts falling due within one year		
Bank Loan (secured)	5,000	5,000
Trade Creditors	10	842
Social Security and Other Taxes	7,451	3,514
Other Creditors	2,529	1,340
Corporation Tax	6,641	6,237
Dividends (see note 6)	12,612	12,612
ACT	3,153	3,153
Accruals and Deferred Income	4,503	4,786
	<u>£41,899</u>	<u>£37,484</u>
CREDITORS: Amounts falling due after more than one year		
Bank Loan (secured)	£35,000	£40,000
The Bank Loan is repayable in annual instalments:		
Within two to five years	20,000	20,000
After five years	15,000	20,000
	<u>£35,000</u>	<u>£40,000</u>
11. CALLED UP SHARE CAPITAL		
Authorised		
4,000 Ordinary Shares of £5 each	£20,000	£20,000
Allotted, Called Up and Fully Paid		
2,102 Ordinary Shares of £5 each	£10,510	£10,510
12. INVESTMENT REVALUATION RESERVE		
At 1 November 1995	69,694	71,051
Surplus/(Deficit) on revaluation (Note 7)	-	(1,357)
At 3 November 1996	<u>£69,694</u>	<u>£69,694</u>

THE CENTRAL TRAMWAY COMPANY, SCARBOROUGH, LIMITED

NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 3 NOVEMBER 1996  
(Continued)

13. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	£	£
Profit for the financial year after taxation	29,623	28,954
Dividends	(12,588)	(12,588)
	<hr/>	<hr/>
	17,035	16,366
Other recognised gains/(deficits) relating to the year	-	(1,357)
	<hr/>	<hr/>
	17,035	15,009
Opening shareholders' funds at 1 November 1995	329,131	314,122
	<hr/>	<hr/>
Closing shareholders' funds at 3 November 1996	£346,166	£329,131
	<hr/>	<hr/>

14. CAPITAL COMMITMENTS

The Company had no capital commitments, either contracted for or authorised but not contracted for, at the year end.

15. TRANSACTIONS INVOLVING A DIRECTOR

Rents in respect of the investment properties at Rotherham are collected through Hume & Co, a rent collection agency owned by Mr I G Purshouse (Director). No commissions or management fees were charged for this service during the year.