

State Management Districts

(LICENSING ACT 1953 and LICENSING (Scotland) ACT 1959)

ANNUAL REPORT

for the year ended
31st March, 1963

*Presented pursuant to Act 1 & 2 Eliz. II., c. 46, s. 76 (4)
and Act 7 & 8 Eliz. II., c. 51, s. 81 (4)*

*Ordered by The House of Commons to be printed
12th November 1963*

LONDON
HER MAJESTY'S STATIONERY OFFICE
ONE SHILLING NET

STATE MANAGEMENT DISTRICTS

(Licensing Act, 1953, and Licensing (Scotland) Act, 1959)

REPORT

INTRODUCTORY

Under the provisions of the Licensing Act, 1953,* and the Licensing (Scotland) Act, 1959,† the State Management Districts consist of the Carlisle, Gretna and Cromarty Firth Districts, in which the liquor trade has been carried on under state management since the first World War.

We present this report, which relates to the year ended 31st March, 1963, in pursuance of section 76(4) of the Act of 1953 and section 81(4) of the Act of 1959. Forty-one reports have previously been presented under the Acts relating to state management.

The Secretaries of State are assisted in the management of the liquor trade in the districts by the State Management Districts Council, an advisory body which was established on the passing of the Licensing Act, 1921. The following were members of the Council during the period under review:—

Sir Isaac Hayward, Lt.-Colonel J. H. Porter, C.B.E., D.S.O., Mr. M. A. Pryor, Mrs. M. Walkden, O.B.E., Mr. J. R. Potts, O.B.E. (representing the Carlisle State Management District) and Mrs. I. B. Thomson, M.B.E. (representing the Scottish State Management Districts) together with official representatives of the Home Office and the Scottish Home and Health Department.

The number of premises in which the sale of liquor was carried on by the Secretaries of State at the date of this report was, in the Carlisle district 175, in the Gretna district 15 and in the Cromarty Firth district 18.

FINANCIAL POSITION

The financial position of the Carlisle, Gretna and Cromarty Firth districts as at 31st March, 1963, is set out in the summary of accounts printed in the Appendix to this report.‡

The net profits for the three undertakings for the year ended 31st March, 1963, amounted to £285,700 compared with £240,141 in the previous year. As in former years in arriving at these profits no provision is made for the taxes assessed on profits (Income Tax—Schedule D and Profits Tax). All ordinarily recurrent charges, including licence and other duties, property tax,

* 1 and 2 Eliz. 2. Ch. 46.

† 7 and 8 Eliz. 2. Ch. 51.

‡ The separate accounts have been certified by Messrs. Mann, Judd, Gordon & Co., Chartered Accountants, Glasgow, and submitted to the Comptroller and Auditor-General. The Certificate of the Comptroller and Auditor-General will be appended when he presents the accounts to the House of Commons under section 5 of the Exchequer and Audit Departments Act, 1921.

rates, headquarters and local administrative expenses, cost of architectural staff, depreciation of fixed and loose plant, furnishings and utensils, and insurance, have been deducted to arrive at the profits.

Suitable provision has been made for the writing down of the cost of alterations and improvements estimated as not adding to the capital value of the properties.

CARLISLE

During the year a new off-sales shop was constructed and opened for trading at Silloth.

The Lion and Lamb Inn, Maryport was closed and the Maryport Depot, which had served as a distributing warehouse in the area, was also closed.

The work of amalgamating the Royal Oak Inn and the Victoria Inn Maryport, and of improving the facilities was completed. The work in remodelling the Swan Inn, Westnewton, was well advanced.

Improvements were completed at the Graham Arms Hotel, Longtown, and some private bathrooms were installed at the Central Hotel, Carlisle.

At a number of public houses service arrangements were improved, additional toilet facilities were provided and the cellarage enlarged. Similar work, including the construction of a car park at the Ship Inn, Thursby, was almost completed on a number of other schemes. A new cask racking machine was installed at the Brewery, where the replacement of the old copper-lined fermenting vessels by stainless steel vessels was completed. A new copper dome was fitted to one of the two mash tuns.

Minor alterations and improvements were carried out at a number of properties, including improvements to lighting, heating, ventilation, decoration and furnishings; the insulation of cellars; and the provision of refrigerated shelving.

SCOTTISH DISTRICTS

During the year work was carried out on the construction of new premises in Eaglesfield to replace the Kirtlebridge Hotel which had been scheduled for demolition under the trunk Road (A74) improvement programme.

At the Station Inn, Kirkpatrick Fleming the public bar was modernised, the smoke room renovated and improvements to the toilet accommodation were made.

Parking facilities were increased at the Crossways Inn, Gretna, by the provision of a car park at the rear of the premises.

The public bar and service area of the Royal Hotel, Invergordon were modernised, and new hot water equipment was installed in the hotel. A hot water installation of a similar nature was made at the Royal Hotel, Cromarty.

At the Station Hotel, Alness, and the Royal Hotel, Dingwall, the solid fuel ranges in the kitchens were replaced by gas-fired equipment.

The exterior appearance of the Wine Shop in Dingwall was improved, and internal work, including the provision of new heating and lighting, was carried out.

The programme of re-decoration and renovation of premises in both Districts was continued during the year

The Licensing (Scotland) Act 1962, came into force on 1st October, 1962. As from that date the *bona fide* traveller arrangements were abolished and permitted hours were introduced for the supply of liquor to the public on Sundays in hotels. The Act empowered licensing courts to grant restaurant certificates and restricted hotel certificates, and provided that within the State Management Districts these certificates could be operated without the consent of the Secretary of State.

25th October, 1963

HENRY BROOKE.
MICHAEL NOBLE.

STATE MANAGEMENT DISTRICTS
PROFIT AND LOSS ACCOUNT FOR

(LICENSING ACT, 1953 and LICENSING (Scotland) ACT, 1959)
THE YEAR ENDED 31st MARCH, 1963

Dr.	Carlisle	Gretna	Cromarty Firth	TOTALS
To Rents	£ 32,343	£ 4,106	£ 4,133	£ 40,602
" Local Rates—Contributions in lieu thereof	32,789	4,101	4,086	40,976
" Licence Duties	37,885	4,295	3,797	45,977
" Licences on Property Account (Benefit charging Income Tax Schedule A)	35,315	4,230	3,387	42,932
" Repairs, Renewals, Fixed and Loose Plant, Tools, Utensils, and Furnishings	1,498	94	158	1,750
" Depreciation of Fixed and Loose Plant, Furnishings and Utensils	1,481	94	158	1,733
" Management Salaries and Expenses	31,899	3,251	6,426	41,576
" Headquarters Administrative Expenses	32,104	4,608	6,479	43,191
" Superannuation Contributions for Established Staff	28,526	2,342	2,020	32,888
" Provision for Gratuities for Non-Established Staff	30,725	2,332	1,900	34,957
" Insurance	52,803	8,894	13,186	74,883
" Alterations and Improvements to Properties (Proportion of cost written off)	52,039	8,065	12,249	72,357
" Reserve for Improvements and Extraordinary Repairs	10,581	2,645	2,891	16,117
" Reserve for Bad and Doubtful Debts	16,942	2,459	2,723	21,124
" Expenditure incidental to Acquisition of Properties	27,497	2,368	4,251	34,116
" Balance, Net Profit for year carried down	27,005	2,294	3,771	33,070
	2,200	345	360	2,905
	1,558	315	260	2,088
	1,534	270	255	2,058
	15,350	1,691	3,633	20,674
	17,990	1,777	2,890	22,657
	26,496	1,000	3,000	30,496
	26,280	2,000	3,000	31,280
	1,799	—	—	1,799
	8	—	—	8
	—	19	—	19
	252,653	11,914	21,133	285,700
	202,354	16,436	21,351	240,141
	523,088	43,234	65,278	631,600
	472,486	48,286	62,558	584,030
To Cash transmitted during the year, or in course of transmission, to the Exchequer	251,640	890*	19,801	270,551
" Balance carried to Balance Sheet	111,165	4,436	13,458	129,059
	641,829	51,394	25,349	718,572
	640,816	38,590	24,017	703,423
	893,469	50,504	45,150	989,123
	751,981	43,026	37,475	832,482

Cr.	Carlisle	Gretna	Cromarty Firth	TOTALS
By Trading Profits (after payment of Excise Duties)	£ 517,724	£ 40,075	£ 61,429	£ 619,228
" Surplus/Deficit on Property Account (Benefit charging Income Tax Schedule A)	468,553	46,222	59,667	574,442
" Gain/Loss on realisation of surplus assets	£ 7 257	— 125	—	£ 7 382
" Surplus/Deficit on Property Account (Benefit charging Income Tax Schedule A)	5,371	3,159	3,849	12,379
	3,676	2,639	2,891	9,206
	252,653	11,914	21,133	285,700
	202,354	16,436	21,351	240,141
	523,088	43,234	65,278	631,600
	472,486	48,286	62,558	584,030
By Profit for year brought down	251,640	890*	19,801	270,551
" Amount brought forward, being balance of accumulated Profits retained in Undertaking at 31st March, 1962	111,165	4,436	13,458	129,059
	640,816	38,590	24,017	703,423
	549,627	28,590	16,124	592,341
	893,469	50,504	45,150	989,123
	751,981	43,026	37,475	832,482

* Expenditure in excess of remittances.

† Loss.

BALANCE SHEET AS AT

THE 31st MARCH, 1963

	Carlisle	Gretna	Cromarty Firth	TOTALS
LIABILITIES				
<i>Capital and Reserves</i>				
I. CAPITAL ACCOUNT ...	£ 593,300 593,300	£ 49,200 49,200	£ 89,500 89,500	£ 732,000 732,000
II. RESERVES for Improvements to properties, furnishings and equipment and extraordinary repairs				
Balance at 1st April, 1962...	£ 77,500	£ 20,633	£ 57,684	
Add Return for overmeasurement of work (1961/62) ...		312		
Less Amount used during year to 31st March, 1963...	9,496	20,945	4,481	
	68,004	9,544	53,203	
Add Amount appropriated from Profits at 31st March 1963...	26,496	1,123*	3,000	
	94,500	12,524	56,203	163,227
	77,500	20,633	57,684	155,817
III. Profits retained and invested in Undertaking ...	641,829	51,394	25,349	718,572
	640,816	38,590	24,017	703,423
	1,329,629	113,118	171,052	1,613,799
	1,311,616	108,423	171,201	1,591,240
<i>Current Liabilities</i>				
IV. SUNDRY CREDITORS AND ACCRUED CHARGES ...	£ 68,016 54,984	£ 9,018 12,437	£ 10,788 9,918	£ 87,822 77,339
	1,397,645	122,136	181,840	1,701,621
	1,566,600	120,860	181,119	1,668,579

The figures shown in *italics* are those for the previous year.
* Includes surplus on realisation of property.

	Carlisle	Gretna	Cromarty Firth	TOTALS
ASSETS				
<i>Fixed Assets</i>				
I. LAND, BUILDINGS AND PLANT—(including licence values and goodwill):—				
Cost plus additions and improvements, less sales ...	£ 1,771,339	£ 220,163	£ 267,078	
Less Depreciation, reserves and amounts written off ...	794,959	132,893	133,183	
	976,380	87,270	133,895	1,197,545
	947,372	80,854	134,718	1,162,944
II. LOOSE PLANT FURNISHINGS, UTENSILS AND VEHICLES:—				
Cost plus additions and improvements, less sales ...	468,430	58,996	81,214	
Less Depreciation, reserves and amounts written off ...	391,768	48,636	72,249	
	76,662	10,360	8,965	95,987
	73,365	11,834	9,790	94,989
	1,053,042	97,630	142,860	1,293,532
	1,020,737	92,688	144,508	1,257,933
<i>Current Assets</i>				
III. Stocks at cost or under	306,640	22,565	36,763	
IV. SUNDRY DEBTORS ...	27,030	726	984	
V. CASH at Banks and in hand ...	10,933	1,215	1,233	
	344,603	24,506	38,980	408,089
	345,863	26,172	36,611	410,644
	1,397,645	122,136	181,840	1,701,621
	1,566,600	120,860	181,119	1,668,579