

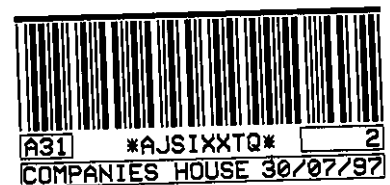
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TROWLOCK ISLAND LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 1996

PRIDIE BREWSTER
CHARTERED ACCOUNTANTS

29/39 London Road
Twickenham
Middlesex TW1 3SZ

15th April 1997



DIRECTORS REPORT

The Directors present their Annual Report and the Financial Statements for the year ended 31st December 1996.

1) **DIRECTORS**

The following persons were Directors of the Company throughout the year:-

Mr R Boon	Mr J W Lavington
Mrs B Pettitt (Resigned 24.5.96)	Mrs D McKenna
Mrs J M Windsor	Mr K Nisson
Mr P G Nagle	Dr P M Grasby (Appointed 24.5.96)

The two Directors retiring by rotation are Mr P G Nagle and Mr K Nisson and both offer themselves for re-election.

2) **DIRECTORS' INTERESTS**

In respect of the Directors at the Balance Sheet date, the following interests in the Company Shares are recorded in the Register both at the beginning of the year (or date of appointment if later) and at the Balance Sheet date.

	Ordinary Shares of 5p each	
	At 1/1/1996	At 31.12.1996
Ordinary Shares		
Mr R Boon	100	100
Mr Boon - as Nominee	69	69
Mrs J M Windsor	40	40
Mr J W Lavington	80	80
Mrs D McKenna	20	20
Mr K Nisson	80	80
Mr P G Nagle	130	130
Dr P M Grasby	80	80

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements 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 Financial Statements the Directors are required to:

- a] select suitable accounting policies and then apply them consistently;
- b] make judgements and estimates that are reasonable and prudent;
- c] prepare the Financial Statements 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 Financial Statements 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.

DIRECTORS REPORT (continued)**3) PRINCIPAL ACTIVITIES**

The principal activities of the Company are to provide services to the Residents by way of maintaining the Island and to let a part of the Island for moorings.

4) RESULTS	1996	1995
Net Profit for the year after taxation	<u>£456</u>	<u>£3,322</u>

5) SERVICE CHARGE

The Directors recommend that the Service Charge for 1997 be fixed at £77 including Water Rates.

6) AUDITORS

The Company was entitled to audit exemption under Section 249(A)(1) of the Companies Act 1985. However, on the instructions of the Directors a full audit was carried out.

The Auditors, Pridie Brewster, Chartered Accountants, are willing to continue in office and a motion for their re-appointment will be put before the Annual General Meeting.

BY ORDER OF THE BOARD


.....
JOHN WYKEHAM LAVINGTON - COMPANY SECRETARY

29/39 London Road
Twickenham
Middlesex TW1 3SZ

15th April 1997

AUDITORS' REPORT TO THE MEMBERS OF TROWLOCK ISLAND LIMITED

We have audited the accounts on pages 6 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described in the Directors Report 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

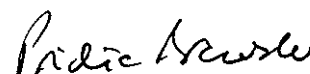
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the 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 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 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

29-39 London Road
Twickenham
Middlesex TW1 3SZ



PRIDIE BREWSTER
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

15th April 1997

BALANCE SHEET AT 31ST DECEMBER 1996

	NOTE	1996	1995
FIXED ASSETS			
Tangible Assets	[2]	18,541	12,191
CURRENT ASSETS			
Debtors	[3]	2,682	11,184
Cash at Bank and in Hand		15,278	13,057
		<u>17,960</u>	<u>24,241</u>
CREDITORS - amounts falling due within one year	[4]	17,979	18,366
		<u>17,979</u>	<u>18,366</u>
NET CURRENT (LIABILITIES)/ASSETS		(19)	5,875
NET ASSETS		<u>£18,522</u>	<u>£18,066</u>
CAPITAL AND RESERVES			
Called-up Share Capital	[5]	273	273
Revaluation Reserve	[6]	9,999	9,999
Profit & Loss Account		8,250	7,794
EQUITY SHAREHOLDERS' FUNDS	[9]	<u>£18,522</u>	<u>£18,066</u>



.....
ROGER BOON - DIRECTOR

15th April 1997

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1996

	NOTE	1996	1995
TURNOVER		35,775	35,895
Cost of Services		<u>31,417</u>	<u>27,341</u>
GROSS PROFIT		4,358	8,554
Administrative Expenses		<u>2,814</u>	<u>2,958</u>
OPERATING PROFIT	[7]	1,544	5,596
Other Interest receivable and similar Income		<u>378</u>	<u>293</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,922	5,889
Taxation	[8]	<u>1,466</u>	<u>2,567</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>£456</u>	<u>£3,322</u>
RETAINED PROFITS			
At 1st January 1996		7,794	4,472
Profit for the Financial year		<u>456</u>	<u>3,322</u>
At 31st December 1996		<u>£8,250</u>	<u>£7,794</u>

All Gains and Losses for the year arise from continuing operations and have been recognised in the revenue account.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 1996**

1) ACCOUNTING POLICIES

- a) The Accounts are prepared under the historical cost convention.
- b) The Accounts are prepared in accordance with applicable accounting standards.
- c) The Company qualifies as a small Company under the requirements of Financial Reporting Standard 1 and therefore does not have to produce a cash flow statement.
- d) Depreciation is provided on all tangible Fixed Assets, apart from Freehold Property, at rates calculated to write off the cost of each asset over its expected useful life as follows:

Main Drainage, Chain Ferries, Water Mains and Fire Extinguisher Houses	5% on cost
Security Lighting	20% on cost
Equipment, Fire Pump and Hose Reels	25% on cost

- e) Turnover consists of mooring fees and service charges.
- f) The Prepaid Expenditure consists of campshedding costs, which has been written off over six years.

2) FIXED ASSETS

Tangible Assets	Freehold Property	Main Drainage	Chain Ferries	Other Plant & Equipment	TOTAL
At cost or valuation					
At 1st January 1996	10,000	5,674	6,039	5,964	27,677
Addition in year	-	-	7,046	-	7,046
Disposal in year	-	-	(1,439)	-	(1,439)
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At 31st December 1996	10,000	5,674	11,646	5,964	33,284
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Depreciation at					
1st January 1996	-	5,673	3,969	5,845	15,487
Charge for year	-	-	582	113	695
Elimination on disposal	-	-	(1,439)	-	(1,439)
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At 31st December 1996	-	5,673	3,112	5,958	14,743
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Net Book Value					
31st December 1995	£10,000	£ 1	£2,070	£120	£12,191
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31st December 1996	£10,000	£ 1	£8,534	£6	£18,541
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The freehold property is included at a valuation which was carried out in 1968.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST
DECEMBER 1996 (Continued)**

3)	DEBTORS	1996	1995
	Trade debtors	2,668	3,265
	Other debtors	14	53
	Prepaid Expenditure	-	7,866
		<u>£2,682</u>	<u>£11,184</u>
4)	CREDITORS - amounts falling due within one year		
	Bank overdraft	1,074	-
	Trade Creditors	4681	4,603
	Other Creditors	1,580	1,057
	Income received in advance	9,178	10,139
	Taxation	1,466	2,567
		<u>£17,979</u>	<u>£18,366</u>
5)	EQUITY SHARE CAPITAL		
	Authorised		
	5,500 Ordinary Shares of 5p each	<u>£275</u>	<u>£275</u>
	Issued and Fully Paid		
	5,453 Ordinary Shares of 5p each	<u>£273</u>	<u>£273</u>
6)	REVALUATION RESERVE		
	Created by the revaluation of the Freehold Property in 1968. There has been no movement during the year.		
7)	OPERATING PROFIT		
	This is stated after charging	£	£
	Depreciation	695	342
	Auditors Remuneration	705	705
8)	TAXATION		
	United Kingdom Corporation Tax on the profit for the year @ 25%/24% after adjustment for disallowable expenses	<u>£1,466</u>	<u>£2,567</u>
9)	EQUITY SHAREHOLDERS' FUNDS		
	A separate movement of the shareholders' Funds is not provided as there are no changes for the current or previous year, other than the detailed profit shown in the Profit and Loss Account.		

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1996

	1996	1995
TURNOVER		
Service Charges	1,986	1,706
Mooring Charges	<u>33,789</u>	<u>34,189</u>
	35,775	35,895
COST OF SERVICES		
Campshedding	7,865	7,866
Mooring Expenses	2,097	3,551
Security Lighting	7,451	387
Path Repairs and Lighting	52	346
Water	1,922	4,749
Chain Ferry	1,004	2,538
Cleaning and Sanitation	870	1,058
Garden Expenses	5,542	4,638
Fire Extinguisher Maintenance	250	-
Sewage Pump Maintenance	3,543	1,375
Party Expenses	476	491
Depreciation - Chain Ferries	582	230
- Equipment	113	112
Profit on disposal of Ferry	<u>(350)</u>	<u>-</u>
	31,417	27,341
	<u>4,358</u>	<u>8,554</u>
ADMINISTRATIVE COSTS		
Printing, Stationery, Postage and Telephone	160	84
Bank Charges and Interest	156	192
Audit Fee	705	705
Accountancy Fees	822	940
Insurance	728	641
Sundries	<u>243</u>	<u>396</u>
	2,814	2,958
	<u>1,544</u>	<u>5,596</u>
INVESTMENT INCOME		
Bank Deposit Interest	<u>378</u>	<u>293</u>
NET PROFIT	<u><u>£1,922</u></u>	<u><u>£5,889</u></u>