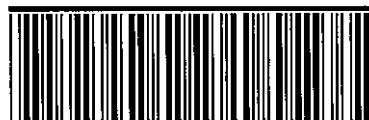


SS 'GREAT BRITAIN' PROJECT LIMITED

FINANCIAL STATEMENTS

31ST JANUARY 1997

Company Registration Number 1000878



A03 *A1ZZCWVC* 417

COMPANIES HOUSE 26/06/97

COMPANIES HOUSE 14/06/97

MAXWELLS
Chartered Accountants & Registered Auditors
73 Queen Square
Bristol
BS1 4JP

SS 'GREAT BRITAIN' PROJECT LIMITED

MEMBERS OF THE COUNCIL

AS AT 31ST JANUARY 1997

President	: HRH The Duke of York CVO ADC
Vice-Presidents	: The Reverend Dr Ewan Corlett OBE : Sir Jack Hayward OBE : J Paul Getty Jr KBE : Dr Basil Greenhill CB CMG
Chairman	: Sir Richard Gaskell
Vice-Chairman	: J A S Burn MC
Hon. Treasurer	: David M Parkes
Members	: J Anstey : Max Beaumont : Cdr J R Blake MBE : Lawrence Brandes CB : Rear Admiral E J W Flower CB : Dennis Griffiths : G A W Hicks : Richard Hill JP : Dr Andrew D Lambert : A T Mitchell C Eng : John Pool : Alderman Brian Richards JP : Roger W Smedley : Dr David Starkey : Lord Strathcona and Mount Royal : Sir Robert Wall OBE

SS 'GREAT BRITAIN' PROJECT LIMITED

REPORT OF THE COUNCIL

YEAR ENDED 31ST JANUARY 1997

The Members of the Council have pleasure in presenting their report and the financial statements of the company for the year ended 31st January 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the preservation and restoration of the ss 'Great Britain'.

There have been no significant changes in the objects for which the company was established.

The results for the year have significantly improved due to an increase in income from the trading company, the licence fee from Banquets and an improvement in fundraising. Full details of the results, the company's financial position and the movements on the Reserve Fund are shown in the attached financial statements.

MEMBERS OF THE COUNCIL

The full membership of the Council at the year end is set out on the previous page.

Council members retire in rotation in accordance with the Articles of Association and the following, being eligible, offer themselves for re-election:

J Anstey

Lawrence Brandes

Richard Hill

Cdr J R Blake

Sir Richard Gaskell

Roger W Smedley

Dr Starkey has been co-opted onto the Council since the last Annual General Meeting and is nominated for election in accordance with the rules.

RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Members of the Council are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Members of the Council must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

SS 'GREAT BRITAIN' PROJECT LIMITED

REPORT OF THE COUNCIL (continued)

YEAR ENDED 31ST JANUARY 1997

RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL (continued)

The Members of the Council 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. The Members of the Council 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.

AUDITORS

A resolution to re-appoint Maxwells as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Great Western Dock
Gas Ferry Road
Bristol
BS1 6TY

Signed on behalf of the Council

M A Hawes

Mrs M A Hawes
Company secretary

Approved by Order of the Council on 28th February 1997

SS 'GREAT BRITAIN' PROJECT LIMITED

AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31ST JANUARY 1997

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL AND THE AUDITORS

As described in their report, the Members of the Council of the company are responsible for the preparation of the 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 Members of the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, 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.

These financial statements have been prepared on a going concern basis assuming the continuing availability of adequate financing facilities, and no adjustment has been made to the recorded values of assets or liabilities. Due to the importance of this matter we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31st January 1997 and of its surplus for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

73 Queen Square
Bristol
BS1 4JP


MAXWELLS
Chartered Accountants
& Registered Auditors

3rd March 1997

SS 'GREAT BRITAIN' PROJECT LIMITED
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31ST JANUARY 1997

	1997		1996	
	£	£	£	£
INCOME (Note 2)		418,426		190,076
RESTORATION AND MAINTENANCE				
Ship restoration costs	22,108		22,102	
Consultancy fees	16,653		4,957	
Museum and archives	1,491		781	
Deck repair	118,995		33,063	
Maintenance of ship	6,020		16,331	
Wages and salaries	54,911		65,354	
		<u>220,178</u>		<u>142,588</u>
		198,248		47,488
ADMINISTRATIVE OVERHEADS				
Salaries and personnel costs	92,055		65,065	
Rates and water	5,380		3,922	
Light and heat	3,812		1,967	
Insurance	10,971		13,250	
Repairs and maintenance	2,426		4,250	
Motor and travel	7,701		4,447	
Vehicle leasing charges	3,631		756	
Telephone	1,510		627	
Hire of equipment	610		717	
Printing, stationery & advertising	10,546		8,440	
Sundry expenses	3,797		2,681	
Lottery feasibility expenditure	15,552		-	
Auditors remuneration	1,975		2,056	
Lease termination payment	-		7,500	
Bank charges	800		129	
		<u>160,766</u>		<u>115,807</u>
OPERATING SURPLUS/(DEFICIT)		37,482		(68,319)
Bank interest payable		<u>6,039</u>		<u>4,695</u>
EXCESS OF INCOME OVER EXPENDITURE / (EXPENDITURE OVER INCOME) FOR YEAR		<u>31,443</u>		<u>(73,014)</u>

The company has no recognised gains or losses other than the results for the year as set out above.

SS 'GREAT BRITAIN' PROJECT LIMITED

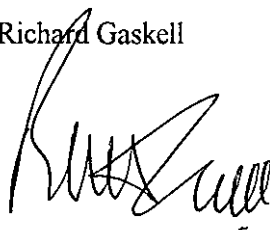
BALANCE SHEET

31ST JANUARY 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets:			
ss 'Great Britain'	5.	1,000	1,000
Loan to subsidiary re premises and equipment	6.	160,701	160,701
Investments	7.	15,700	15,700
		<u>177,401</u>	<u>177,401</u>
CURRENT ASSETS			
Debtors:			
Income tax recoverable		20,723	8,075
Other debtors		540	-
Prepayments and accrued income		4,467	1,410
		<u>25,730</u>	<u>9,485</u>
Cash at bank and in hand		12,480	644
		<u>38,210</u>	<u>10,129</u>
CREDITORS: Amounts falling due within one year	8.	<u>(111,557)</u>	<u>(114,719)</u>
NET CURRENT LIABILITIES		(73,347)	(104,590)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>104,054</u>	<u>72,811</u>
Represented by:			
LONG TERM LOANS		-	200
RESERVE FUND BALANCE	11.	104,054	72,611
TOTAL FUNDS		<u>104,054</u>	<u>72,811</u>

These financial statements were approved by the Council on the 28th February 1997 and are signed on their behalf by:

Sir Richard Gaskell



David M Parkes



SS 'GREAT BRITAIN' PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1997

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Company status

The Company is limited by Guarantee and is a registered charity.

Consolidation

Group accounts have not been prepared as, in the opinion of the Council, the inclusion of the assets and liabilities of the subsidiary in the Balance Sheet of the project would not be meaningful to the members. Accordingly, the exemption available to small companies under Section 248 of the Companies Act 1985 has been invoked.

Cash flow statement

The Members of the Council have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Income

Income represents donations and grants received by the company together with income from the trading and banqueting companies, exclusive of Value Added Tax where applicable. Donations and grants are recognised on a received basis. Income from trading and banqueting is recognised on a receivable basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account. By virtue of the nature of the scheme no unfunded liability can arise.

SS 'GREAT BRITAIN' PROJECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JANUARY 1997

2. INCOME

	1997 £	1996 £
Receipts from SS 'Great Britain' Trading Limited (Note 12)	122,593	68,637
Licence fee from SS "Great Britain" Banquets plc	38,480	-
Grants (Note 3)	149,349	69,982
Income from fundraising:		
Donations	39,365	11,592
Deeds of covenant and subscriptions	16,077	21,133
Sponsor a Plank	18,920	5,454
Draw tickets	14,266	9,253
Sponsored walk	3,216	-
Festival of the Sea - donations from visitors	11,729	-
Friends of ss 'Great Britain' Project	1,267	1,057
	<u>104,840</u>	<u>48,489</u>
Miscellaneous income	3,164	2,968
	<u>418,426</u>	<u>190,076</u>

3. GRANTS

Grants of £144,349 from National Heritage Memorial Fund and £5,000 from English Heritage were received during the year towards the costs of redecking and planking the weather deck.

4. HERITAGE LOTTERY FUND

£15,552 has been spent to date on preparing a bid to the Heritage Lottery Fund comprising studies, outline application, business plan and associated work.

5. ss 'GREAT BRITAIN'

For the purpose of the Balance Sheet, the value of the ship is shown at a nominal figure of £1,000, all restoration costs being charged against income in the year in which they are incurred. The ship is insured against fire and other perils for £3m.

SS 'GREAT BRITAIN' PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1997

6. LOAN TO SUBSIDIARY

The substantial expenditure on the development of the short leasehold dockside premises by the Company's subsidiary has been wholly financed by a loan from the Company at a commercial rate of interest with no formal repayment terms.

The auditors of the subsidiary have qualified their report on the grounds that no depreciation has been charged on the leasehold expenditure and this treatment does not follow the Statement of Standard Accounting Practice No. 12 issued by the Accounting Standards Committee. The Council are in agreement with the policy adopted in the accounts of the subsidiary since any charge for depreciation would not be fully deductible for tax purposes and a liability to Corporation Tax would ultimately arise.

7. INVESTMENTS

	1997 £	1996 £
Shares in SS 'Great Britain' Trading Limited	100	100
Shares in SS "Great Britain" Banquets plc	15,500	15,500
National Savings	100	100
	<u>15,700</u>	<u>15,700</u>

SS 'Great Britain' Trading Limited is a wholly owned subsidiary.

The Company has a holding of 46,250 shares in SS "Great Britain" Banquets plc (equivalent to 6.6% of the equity share capital).

8. CREDITORS: Amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts	14,125	143
Trade creditors	27,991	23,976
Amounts owed to group undertakings	53,622	62,493
Other creditors including:		
PAYE and social security	2,934	3,801
Other loans	11,000	12,000
SS "Great Britain" Banquets plc	-	10,619
	<u>13,934</u>	<u>26,420</u>
Accruals and deferred income	1,885	1,687
	<u>111,557</u>	<u>114,719</u>

SS 'GREAT BRITAIN' PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1997

9. PARTICULARS OF EMPLOYEES

	1997		1996	
	Group	Company	Group	Company
The average number of staff during the year was:				
Restoration and maintenance	5	5	5	5
Office and management	4	4	3	3
Trading Company staff	8	-	8	-
	<u>17</u>	<u>9</u>	<u>16</u>	<u>8</u>

Staff costs during the year comprised:

	£	£	£	£
Restoration and maintenance	54,911	54,911	65,354	65,354
Administration	75,153	75,153	49,687	49,687
Trading Company staff	87,352	-	88,057	-
Social Security costs	17,735	11,430	16,625	9,887
Pension costs	8,912	5,472	9,421	5,491
Redundancy and severance costs	3,183	-	-	-
	<u>247,246</u>	<u>146,966</u>	<u>229,144</u>	<u>130,419</u>

No employee earned £40,000 per annum or more.

10. COMMITMENTS UNDER OPERATING LEASES

At 31st January 1997 the company had annual commitments under non-cancellable operating leases as set out below.

	1997 Assets other than land and buildings £	1996 Assets other than land and buildings £
Operating leases which expire:		
Within 2 to 5 years	<u>4,189</u>	<u>4,296</u>

11. RESERVE FUND BALANCE

	1997 £	1996 £
Balance brought forward	72,611	145,625
Excess of income over expenditure / (expenditure over income) for the year	<u>31,443</u>	<u>(73,014)</u>
Balance carried forward	<u>104,054</u>	<u>72,611</u>

SS 'GREAT BRITAIN' PROJECT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JANUARY 1997

12. NET TRADING PROFIT OF SS 'GREAT BRITAIN' TRADING LIMITED

	1997	1996
	£	£
INCOME		
Admission receipts (100,841 visitors; 1996 - 93,968 visitors)	241,298	206,398
Gross profit from sale of souvenirs	57,330	53,403
Miscellaneous	5,434	4,799
	<u>304,062</u>	<u>264,600</u>
EXPENDITURE		
Wages, salaries & national insurance	97,097	98,725
Redundancy & severance costs	3,183	-
Building maintenance & repairs	4,746	7,926
Insurance, heating & lighting	17,137	14,192
Printing, stationery advertising & promotion	39,042	46,759
Postage, carriage & telephone	4,169	5,217
Auditors fees	2,500	2,360
Bank charges & interest	1,673	2,427
Miscellaneous expenses	8,567	13,885
Depreciation	3,355	4,472
	<u>181,469</u>	<u>195,963</u>
	122,593	68,637
Interest to Holding Company on dockside development loan	12,853	13,870
Net profit covenanted to Holding Company	<u>109,740</u>	<u>54,767</u>