

'Registered'

22/1/03

PRIORY QUAY MANAGEMENT COMPANY LIMITED

A C C O U N T S

FOR THE YEAR ENDED

31ST MARCH, 2003

HOPE JONES  
CHARTERED ACCOUNTANTS  
LYMINGTON HOUSE  
73 HIGH STREET  
LYMINGTON  
HAMPSHIRE



PRIORY QUAY MANAGEMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2003

The Directors present their Report and the audited Accounts for the year ended 31st March 2003.

Principal Activities

The principal activity is that of property management.

Results

The surplus for the year was £17,808 (2002 surplus £32,999) which has been added to reserves.

Directors and their Interests

The Directors during the year and their interests in the Ordinary Shares of the Company were as follows:

	<u>Ordinary £1 Shares</u>	
	<u>31st March 2003</u>	<u>31st March 2002</u> (or on later appointment)
E. Anning	1	1
L. G. Atkins	1	1
L. P. Gill	1	1
B. D. Horrocks	1	1
H. J. Newman	1	1
J. F. Oates (appointed 11/1/03)	1	1
C. F. Outram (resigned 1/1/03)	-	1
M. J. Pritchard	1	1

Income and Corporation Taxes Act 1988

The Company is a close company within the terms of the Income and Corporation Taxes Act 1988.

Auditors

In accordance with Section 385(2) of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Hope Jones as Auditors to the Company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board

B. D. HORROCKS

.....  
SECRETARY

Company No.  
2209183

Registered Office  
73, High Street,  
Lymington,  
Hants. SO41 9ZA

10th July 2003

PRIORY QUAY MANAGEMENT COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In respect of the preparation of financial statements the Directors are required by company law:

- (i) to prepare financial statements 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 deficit and total recognised gains and losses of the company for the period to that date.
- (ii) to ensure that suitable accounting policies, consistently applied and supported by judgements and estimates that are reasonable and prudent, have been used in the preparation of the financial statements.
- (iii) to prepare the financial statements on a 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.

The Directors confirm that the financial statements comply with the above requirements.

PRIORY QUAY MANAGEMENT COMPANY LIMITED

Independent Auditors' Report to the Members of Priory Quay  
Management Company Limited

We have audited the financial statements of Priory Quay Management Company Limited for the year ended 31st March 2003 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Director's Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent mis-statements within it.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom 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 mis-statement 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.

PRIORY QUAY MANAGEMENT COMPANY LIMITED

Independent Auditors' Report to the Members of Priory Quay  
Management Company Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Hope Jones*

HOPE JONES  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITOR  
15th July 2003  
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73 HIGH STREET  
LYMINGTON  
HAMPSHIRE

PRIORY QUAY MANAGEMENT COMPANY LIMITED

BALANCE SHEET

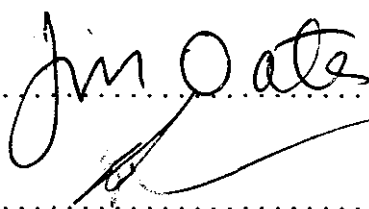
31ST MARCH 2003

	<u>Notes</u>	<u>2003</u>	<u>2002</u>
<u>Fixed Assets</u>			
Tangible Assets	3	92	182
<u>Current Assets</u>			
Stocks	4	112	112
Debtors	5	3,219	2,786
Cash at Building Society		158,499	139,840
		161,830	142,738
<u>Less: Current Liabilities</u>			
Creditors - Amounts falling due within one year	6	2,870	1,676
Net Current Assets		158,960	141,062
<u>Net Assets</u>		£159,052	£141,244
<u>Capital and Reserves</u>			
Called up Share Capital	7	38	38
Income and Expenditure Account	8	4,014	1,206
Dredging and Redecoration Reserve	9	155,000	140,000
Shareholders' Funds	10	£159,052	£141,244

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 10 July 2003

JAMES FRANCIS OATES



Director

BRIAN DAVID HORROCKS

Director

PRIORY QUAY MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2003

	<u>Notes</u>	<u>2003</u>	<u>2002</u>
<u>Income - Continuing Operations</u>			
Management Charges		46,620	44,400
Mooring Fees		6,620	4,750
Repair and Cleaning Charges		599	2,184
Sale of Transmitters		-	56
Electricity		128	50
Sundry Income		365	200
		54,332	51,640
<u>Administrative Expenses</u>			
Dock Cleaning	1,425	1,398	
General Repairs and Maintenance	5,164	9,029	
Redecoration	9,888	-	
Garden Expenses	5,893	3,067	
Water	198	220	
Electricity	497	521	
Insurance	3,628	3,077	
Honorarium	630	900	
Accountancy and Audit	734	676	
Legal and Professional Fees	8,936	476	
Filing Fees	15	15	
Bank Charges	48	28	
Postage, Printing and Stationery	515	444	
Sundry Expenses	190	223	
Gifts and Donations	176	100	
Transmitters	-	56	
Depreciation - Office Equipment	90	90	
Plant and Equipment	-	29	
		38,027	20,349
<u>Operating Surplus -</u>			
Continuing Operations		16,305	31,291
<u>Interest Received</u>			
Building Society	2,276	3,059	
Less: Income Tax at 34%	773	1,040	
		1,503	2,019
		17,808	33,310
Interest Payable	2	-	15
		17,808	33,295
Corporation Tax Payable on			
Non-Members' Mooring Fees at 10%		-	296
<u>Surplus for the year</u>			
transferred to Reserves	8	£ 17,808	£ 32,999

There were no gains or losses other than the surplus for each year shown above.

PRIORY QUAY MANAGEMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2003

1. Accounting Policies

1.1 Accounting Conventions

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

1.2 Depreciation of Tangible Assets

Depreciation is calculated to write off the cost of Fixed Assets over their expected lives commencing from the beginning of the year in which the asset is purchased at the following rates:-

On a straight-line basis:-

Office Equipment	Over 3 Years
Plant and Equipment	Over 3 Years

1.3 Stock

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

2. Interest Payable

	<u>2003</u>	<u>2002</u>
Inland Revenue	-	15
	£ -	£15

3. Tangible Fixed Assets

	<u>Office Equipment</u>	<u>Plant and Equipment</u>	<u>Total</u>
<u>Cost</u>			
At 1st April 2002 & At 31st March 2003	681	90	771
<u>Depreciation</u>			
At 1st April 2002	500	89	589
Charge for year	90	-	90
At 31st March 2003	590	89	679
<u>Net book value at 31st March 2003</u>	£ 91	£ 1	£ 92
<u>Net book value at 31st March 2002</u>	£181	£ 1	£182

4. Stock

	<u>2003</u>	<u>2002</u>
Transmitters	£112	£112

PRIORY QUAY MANAGEMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST MARCH 2003

5.	<u>Debtors</u>		<u>2003</u>	<u>2002</u>
	Other Debtors		51	-
	Prepayments		3,168	2,786
			<u>£3,219</u>	<u>£2,786</u>
6.	<u>Creditors: Due within one year</u>		<u>2003</u>	<u>2002</u>
	Corporation Tax		-	296
	Income Tax		318	428
	Other Creditors		1,600	150
	Accruals		952	802
			<u>£2,870</u>	<u>£1,676</u>
7.	<u>Share Capital</u>			
		<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>	
			<u>2003</u>	<u>2002</u>
	38 Ordinary shares of £1 each	100	38	38
8.	<u>Income and Expenditure Account</u>		<u>2003</u>	<u>2002</u>
	At 1st April 2002		1,206	3,207
	Retained Surplus for the year		17,808	32,999
			<u>19,014</u>	<u>36,206</u>
	Transfer to Dredging and Redecoration Reserve		(15,000)	(35,000)
	At 31st March 2003		<u>£ 4,014</u>	<u>£ 1,206</u>
9.	<u>Dredging and Redecoration Reserve</u>		<u>2003</u>	<u>2002</u>
	Balance as at 1st April 2002		140,000	105,000
	Transfer from Income and Expenditure Account		15,000	35,000
	Balance as at 31st March 2003		<u>£155,000</u>	<u>£140,000</u>
10.	<u>Reconciliation of Movements in Shareholders' Funds</u>		<u>2003</u>	<u>2002</u>
	Surplus for the year		17,808	32,999
	Opening Shareholders' Funds		141,244	108,245
	Closing Shareholders' Funds		<u>£159,052</u>	<u>£141,244</u>