

Registered

2209183

PRIORY QUAY MANAGEMENT COMPANY LIMITED

A C C O U N T S

FOR THE YEAR ENDED

31ST MARCH, 1998

HOPE JONES
CHARTERED ACCOUNTANTS
LYMINGTON HOUSE
73 HIGH STREET
LYMINGTON
HAMPSHIRE



PRIORY QUAY MANAGEMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED TO 31ST MARCH 1998

The Directors present their Report and the audited Accounts for the year ended 31st March 1998.

Principal Activities

The principal activity is that of property management.

Results

The deficit for the year was £70,642 (1997 surplus £21,642) which has been deducted from 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 1998</u>	<u>31st March 1997</u> (or on later appointment)
L. G. Atkins	1	1
C. F. Bibra	1	1
R. R. M. Braham	1	1
S. R. Furniss	1	1
E. W. Garside (resigned 17/1/98)	-	1
B. S. R. Halsey	1	1
F. Oates (appointed 17/1/98)	1	1
C. F. Outram	1	1
N. R. Royal (appointed 17/1/98)	1	1

Income and Corporation Taxes Act 1988

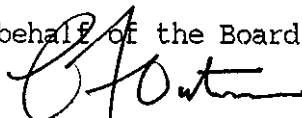
The Company is a close company within the terms of the Income and Corporation Taxes Act 1988.

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


C. F. OUTRAM

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SECRETARY

Company No.
2209183

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

5th October, 1998

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

AUDITORS' REPORT to the Members of Priory Quay Management Company
Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of Directors and Auditors

As described on page 2 the company's Directors are responsible for the preparation of 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 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.

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 1998 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



HOPE JONES
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
16th November 1998

73 HIGH STREET
LYMINGTON
HAMPSHIRE

PRIORY QUAY MANAGEMENT COMPANY LIMITED

BALANCE SHEET

31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
<u>Fixed Assets</u>			
Tangible Assets	2	137	274
<u>Current Assets</u>			
Stocks	3	90	90
Debtors	4	3,000	3,362
Cash at Building Society		32,238	103,893
		-----	-----
		35,328	107,345
<u>Less: Current Liabilities</u>			
Creditors - Amounts falling due within one year	5	953	2,465
		-----	-----
Net Current Assets		34,375	104,880
		-----	-----
<u>Net Assets</u>		£ 34,512	£105,154
		=====	=====
<u>Capital and Reserves</u>			
Called up Share Capital	6	38	38
Income and Expenditure Account	7	4,474	5,116
Dredging and Redecoration Reserve	8	30,000	100,000
		-----	-----
Shareholders' Funds	9	£ 34,512	£105,154
		=====	=====

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

5/10/98

RICHARD ROBERT MICHAEL BRAHAM

Director

CHARLES FREDRIC OUTRAM

Director

PRIORY QUAY MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
<u>Income - Continuing Operations</u>			
Management Charges		27,750	27,581
Mooring Fee		1,200	66
Sureset Drives Charges		19,071	-
Planters Charges		170	-
Sundry Income		248	134
		-----	-----
		48,439	27,781
<u>Administrative Expenses</u>			
Dock Cleaning	1,260		1,280
General Repairs and Maintenance	23,328		1,734
Redecoration	86,284		-
Survey Fees	5,279		600
Water	162		153
Electricity	545		436
Insurance	2,632		2,342
Honorarium	750		750
Accountancy and Audit	764		858
Legal and Professional Fees	40		142
Filing Fees	15		15
Postage, Printing and Stationery	317		200
Bad Debts	388		352
Sundry Expenses	223		252
Gifts and Donations	375		-
Depreciation - Office Equipment	137		137
	-----	122,499	-----
		-----	-----
<u>Operating (Deficit)/Surplus -</u>			
Continuing Operations		(74,060)	18,530
<u>Interest Received</u>			
Building Society	4,274		4,095
Members	53		-
	-----		-----
	4,327		4,095
<u>Less: Corporation Tax thereon at 21%</u>	909		983
	-----	3,418	-----
		-----	-----
<u>(Deficit)/Surplus for the year</u>			
transferred to Reserves	7	£(70,642)	£21,642
		=====	=====

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

PRIORY QUAY MANAGEMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

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

1.3 Stock

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

2. Tangible Fixed Assets

	<u>Office Equipment</u>
<u>Cost</u>	
At 1st April 1997 & At 31st March 1998	£411 ---
<u>Depreciation</u>	
At 1st April 1997	137
Charge for year	137 ---
At 31st March 1998	£274 ---
<u>Net Book Value at</u> 31st March 1998	£137 ===
<u>Net Book Value at</u> 31st March 1997	£274 ===

PRIORY QUAY MANAGEMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST MARCH 1998

3.	<u>Stock</u>		<u>1998</u>	<u>1997</u>
	Transmitters		£ 90 ===	£ 90 ===
4.	<u>Debtors</u>		<u>1998</u>	<u>1997</u>
	Management and Redecoration Charges		-	1,388
	Other Debtors		953	-
	Prepayments		2,047	1,974
			-----	-----
			£3,000	£3,362
			=====	=====
5.	<u>Creditors: Due within one year</u>		<u>1998</u>	<u>1997</u>
	Management Charges Received in Advance		-	1,388
	Corporation Tax		54	164
	Accruals		899	913
			-----	-----
			£ 953	£2,465
			=====	=====
6.	<u>Share Capital</u>			
		<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>	
			<u>1998</u>	<u>1997</u>
	38 Ordinary shares of £1 each	100	38	38
		===	===	===

PRIORY QUAY MANAGEMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST MARCH 1998

7. Income and Expenditure Account

	<u>1998</u>	<u>1997</u>
At 1st April 1997	5,116	8,474
Retained (Deficit)/Surplus for the year	(70,642)	21,642
	-----	-----
	(65,526)	30,116
Transfer from/(to) Dredging and Redecoration Reserve	70,000	(25,000)
	-----	-----
At 31st March 1998	£ 4,474	£ 5,116
	=====	=====

8. Dredging and Redecoration Reserve

	<u>1998</u>	<u>1997</u>
Balance as at 1st April 1997	100,000	-
Transfer (to)/from Income and Expenditure Account	(70,000)	25,000
	-----	-----
Balance as at 31st March 1998	£ 30,000	£100,000
	=====	=====

9. Reconciliation of Movements in Shareholders' Funds

	<u>1998</u>	<u>1997</u>
(Deficit)/Surplus for the year	(70,642)	21,642
Opening Shareholders' Funds	105,154	83,512
	-----	-----
Closing Shareholders' Funds	£ 34,512	£105,154
	=====	=====