

WAVERLEY STEAM NAVIGATION CO. LTD.
COMPANY NO. - 50789

Abbreviated Accounts
For the year ended 31st October 1997

HENDERSON & COMPANY
CHARTERED ACCOUNTANTS
73 UNION STREET
GREENOCK

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**REPORT OF THE AUDITORS TO
WAVERLEY STEAM NAVIGATION CO. LTD.
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st October 1997 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



HENDERSON & COMPANY
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

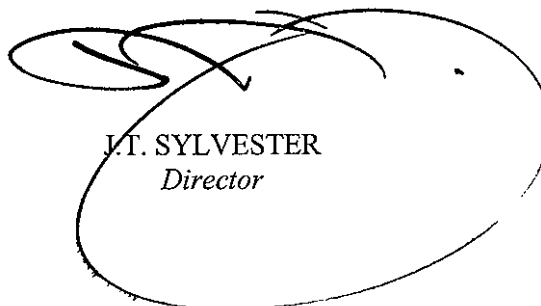
73 Union Street,
Greenock

28th July 1998

WAVERLEY STEAM NAVIGATION CO. LTD.
ABBREVIATED BALANCE SHEET AS AT 31ST OCTOBER 1997

	1997 £	1996 £	Note
FIXED ASSETS			
Tangible Assets	55,727	76,737	2
Investment in Subsidiary	<u>100,100</u>	<u>100</u>	3
	155,827	76,837	
CURRENT ASSETS			
Debtors	<u>290,099</u>	<u>170,600</u>	
Cash at Bank	<u>75,956</u>	<u>261,015</u>	
	366,055	431,615	
CREDITORS			
Amounts falling due within one year	<u>8,250</u>	<u>9,044</u>	
NET CURRENT ASSETS	<u>357,805</u>	<u>422,571</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES	513,632	499,408	
CREDITORS			
Amounts falling due after more than one year	<u>76,435</u>	<u>83,935</u>	
	<u>437,197</u>	<u>415,473</u>	
CAPITAL AND RESERVES			
Called Up Share Capital	39	39	4
Income and Expenditure Account	<u>437,158</u>	<u>415,434</u>	
	<u>437,197</u>	<u>415,473</u>	

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


J.T. SYLVESTER
Director

28th July 1998

WAVERLEY STEAM NAVIGATION CO. LTD.

NOTES TO THE ABBREVIATED ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting Convention

The accounts have been prepared under the historical cost convention.

(b) Consolidation

The Company and its subsidiary comprise a small group. The Company has therefore taken advantage of the exemptions provided by Section 248(1) of the Companies Act 1985 not to prepare group accounts. These financial statements present information about the parent company and not about the group.

(c) Grants and Donations

Grants received in respect of fixed assets have been credited to a Deferred Grant account and are released to revenue over the expected useful life of the asset. Donations received are credited direct to the Income and Expenditure Account

(d) Depreciation

Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset over its expected useful life as follows:-

Vessels	10%	straight line per annum
Catering Equipment	33 1/3%	straight line per annum

Utensils are treated on a replacement basis.

2. TANGIBLE FIXED ASSETS

Cost	£
As at 1st November 1996	496,442
Purchased during Year	-
As at 31st October 1997	496,442
Depreciation	
As at 1st November 1996	419,705
Charge for Year	21,010
As at 31st October 1997	440,715
Net Book Value	
As at 31st October 1997	55,727
As at 31st October 1996	76,737

3. INVESTMENT IN SUBSIDIARY

	1997 £	1996 £
Shares at Cost	100	100
Loan to Subsidiary (repayable after more than one year)	100,000	-

Waverley Steam Navigation Co. Ltd. owns 100% of the ordinary £1 shares issued in the share capital of Waverley Excursions Limited, a company incorporated in Scotland.

The subsidiary company's share capital, reserves and results as at 31st October 1996 were as follows:-

Share Capital	Profit and Loss Account	Loss for Year after taxation
£	£	£
<u>100</u>	<u>(53,178)</u>	<u>(53,681)</u>

4. SHARE CAPITAL

	1997	1996
Authorised		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Called Up and Fully Paid		
39 Ordinary Shares of £1 each	<u>39</u>	<u>39</u>