

Registered Copy

HYTHE PIER COMPANY LIMITED

FINANCIAL STATEMENTS

31ST JANUARY 1996

Company Registration Number 9029

FRASER RUSSELL

Chartered Accountants & Registered Auditors
4 London Wall Buildings
Blomfield Street
London
EC2M 5NT



HYTHE PIER COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1996

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HYTHE PIER COMPANY LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the company will be held at 10.45 am on 26 September 1996 at the registered office.

1. To receive and adopt the directors' report and financial statements for the year ended 31st January 1996.
2. To confirm the appointment of Mrs P M Percy as a director.
3. To re-appoint Fraser Russell as auditors and to authorise the directors to fix their remuneration.

Registered office:

By order of the board

Hotspur House
Hythe
Southampton
SO45 6AU

A G Percy
Company secretary

23 JUL 1996

Notes:

- a. A shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the company.
- b. A form of proxy is enclosed with this notice for your use in respect of the business set out above. To be effective, the form of proxy together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified or an office copy of such power of authority) must be lodged at the company's registered office at least forty-eight hours before the time appointed for the meeting.

HYTHE PIER COMPANY LIMITED**THE DIRECTORS' REPORT****YEAR ENDED 31ST JANUARY 1996**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st January 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company was dormant throughout the year.

RESULTS AND DIVIDENDS

The trading results for the year, and company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

No profits arose in the year. The balance brought forward on profit and loss account will be carried forward to the following period.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £10 each	
	At 31 Jan 96	At 1 Feb 95
T M Percy	5	5
Mrs P M Percy	-	-
Miss J L Percy	-	-
P F Walker	-	-
	<hr/>	<hr/>

The directors' interests in the shares of Companies in the Group are as follows:-

	Ordinary Shares	
	At 31.01.96	At 01.02.95
The General Estates Company Limited		
T M Percy	2,500	33,540
Mrs P M Percy	2,500	2,500
Miss J L Percy	5,535	5,535
P F Walker	22,109	22,109

RETIREMENT OF DIRECTORS

In accordance with the Articles of Association, Mrs P M Percy will retire from the board and, being eligible, will stand for re-appointment.

HYTHE PIER COMPANY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST JANUARY 1996

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to

select suitable accounting policies, as described on page 7, and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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. The directors 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 Fraser Russell 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:
Hotspur House
Hythe
Southampton
SO45 6AU

Signed on behalf of the directors



A G Percy
Company secretary

Approved by the directors on **23 JUL 1996** 19....

HYTHE PIER COMPANY LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST JANUARY 1996

We have audited the financial statements on pages 5 to 8 which have been prepared in accordance with the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described in the directors' report, the directors 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 directors 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.

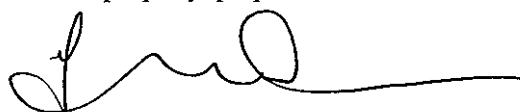
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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 1996 and have been properly prepared in accordance with the Companies Act 1985.

4 London Wall Buildings
Blomfield Street
London
EC2M 5NT

23/7 1996



FRASER RUSSELL
Chartered Accountants
& Registered Auditors

HYTHE PIER COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST JANUARY 1996

	Note	1996 £	1995 £
TURNOVER	2	-	1,558
Administrative expenses		-	24,222
OPERATING PROFIT	3	-	25,780
Tax on profit on ordinary activities	5	-	(535)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	25,245
Balance brought forward		(10,523)	(35,768)
BALANCE CARRIED FORWARD		(10,523)	(10,523)

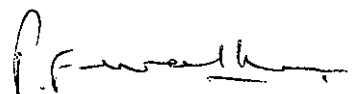
The company has no recognised gains or losses other than the results for the year as set out above.

HYTHE PIER COMPANY LIMITED**BALANCE SHEET****31ST JANUARY 1996**

	Note	1996 £	1995 £
CURRENT ASSETS			
Debtors	6	477	477
NET ASSETS		<u>477</u>	<u>477</u>
CAPITAL AND RESERVES			
Called up share capital	8	11,000	11,000
Profit and loss account		(10,523)	(10,523)
EQUITY SHAREHOLDERS' FUNDS		<u>477</u>	<u>477</u>

These financial statements were approved by the directors on the 23 JUL 1996, and are signed on their behalf by:


T M PERCY


P F WALKER

HYTHE PIER COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JANUARY 1996

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

2. TURNOVER

Turnover represents income from landing fees, ferry passengers and casual tolls.

3. OPERATING PROFIT OR LOSS

Operating profit or loss is stated after charging:

	1996 £	1995 £
Directors' emoluments	-	-
Profit on disposal of fixed assets	-	(23,642)
Auditors' remuneration - as auditors	-	450
	<u>-</u>	<u>450</u>

4. PARTICULARS OF EMPLOYEES

The company does not employ any staff except for a part-time company secretary..

5. TAXATION ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	1996 £	1995 £
Corporation tax based on the results for the year at -% (1995 - 25%)	-	535
	<u>-</u>	<u>535</u>

6. DEBTORS

	1996 £	1995 £
Amounts owed by group undertakings	477	477
	<u>477</u>	<u>477</u>

All debtors are repayable within one year of the balance sheet date.

HYTHE PIER COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST JANUARY 1996**

7. CONTINGENCIES

The Company, its ultimate parent company and a fellow subsidiary company have received grants from the Hampshire County Council and the New Forest County Council totalling £185,000 towards the acquisition of a ferry launch and the cost of repairs to Hythe Pier.

The grants may be repayable either wholly or in part in the event that the Hythe-Southampton ferry service is not maintained at the standard existing in 1985 or such reduced standard as may be agreed with the County Council. This contractual obligation has a further 9 years before it expires.

8. SHARE CAPITAL**Authorised share capital:**

	1996 £	1995 £
1,100 Ordinary shares of £10 each	<u>11,000</u>	<u>11,000</u>

Allotted, called up and fully paid:

	1996 £	1995 £
1,100 Ordinary shares of £10 each	<u>11,000</u>	<u>11,000</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year	-	25,245
Opening shareholders' equity funds	<u>477</u>	<u>(24,768)</u>
Closing shareholders' equity funds	<u>477</u>	<u>477</u>

10. ULTIMATE PARENT COMPANY

The company is a subsidiary of The General Estates Company Limited, a company incorporated in England.