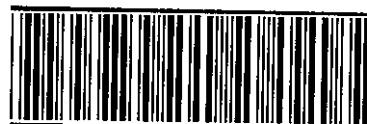


NORTHERN HORIZON LIMITED
Company No 2113834

REPORT AND ACCOUNTS

31 March 1995

Register



A23 *A78TWFD6* 456
COMPANIES HOUSE 05/10/95

Price Waterhouse



**AUDITORS' REPORT TO THE DIRECTORS OF
NORTHERN HORIZON LIMITED PURSUANT TO PARAGRAPH 8
OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of Northern Horizon Limited for the year ended 31 March 1995. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors statement on page 3 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part III of Schedule 8 to that Act in respect of the year ended 31 March 1995, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

On 20 July 1995 we reported, as auditors of Northern Horizon Limited, to the Members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1995, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 9 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 pages 1 and 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 judgments 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.

Price Waterhouse



**AUDITORS' REPORT TO THE DIRECTORS OF
NORTHERN HORIZON LIMITED PURSUANT TO PARAGRAPH 8
OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (CONTINUED)**

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 the company's affairs as at 31 March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditor

20 July 1995

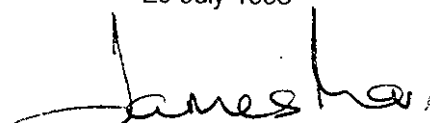
NORTHERN HORIZON LIMITED

BALANCE SHEET - 31 MARCH 1995

	Notes	1995	1994
FIXED ASSET			
Tangible assets	3	610,728	752,902
CURRENT ASSETS			
Debtors		113,826	57,315
CREDITORS - Amounts falling due within one year		(406,853)	(293,031)
NET CURRENT LIABILITIES		<u>(293,027)</u>	<u>(235,716)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		317,701	517,186
CREDITORS - Amounts falling due after more than one year	4	(405,714)	(308,572)
PROVISION FOR LIABILITIES AND CHARGES		<u>(87,233)</u>	<u>(116,677)</u>
		£(175,246)	£91,937
CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Profit and loss account		<u>(176,246)</u>	<u>90,937</u>
		£(175,246)	£91,937

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 as entitling them to deliver abbreviated accounts on the grounds that the company is small.

APPROVED BY THE BOARD ON
20 July 1995


J G Marr

DIRECTOR

NORTHERN HORIZON LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 1995

1 ACCOUNTING POLICIES

(1) Basis of accounting

The accounts have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

(2) Turnover

Turnover represents amounts received and receivable for goods and services supplied excluding value added tax.

(3) Depreciation

Depreciation is calculated by reference to cost to the company after deducting estimated residual value at a rate estimated to write off the relevant asset over its expected useful life, taking into account normal commercial and technical obsolescence.

The expected useful life of the vessel is 3 years from 1 April 1995.

(4) Deferred taxation

Provision for deferred taxation is made on the full potential liability arising from the excess of accelerated capital allowance over the cumulative charge for depreciation on the relevant asset.

2 AUDITORS' REMUNERATION

Auditors' remuneration for the year was - audit fees

<u>1995</u>	<u>1994</u>
£665	£650
<u> </u>	<u> </u>

3 TANGIBLE ASSETS

VESSEL

Cost

31 March 1994	1,622,989
Additions during the year	<u>16,916</u>
31 March 1995	£1,639,905

Depreciation

31 March 1994	870,087
Charge for the year	<u>159,090</u>
31 March 1995	£1,029,177

Net book amount

31 March 1995	<u>£610,728</u>
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NORTHERN HORIZON LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 1995 (CONTINUED)

4 CREDITORS - Amounts falling due after more than one year

Creditors falling due after more than one year comprise a loan from the ultimate parent undertaking and a bank loan.

The loan from the ultimate parent undertaking has no fixed repayment terms and is interest free. The ultimate parent company has given an undertaking not to demand repayment of its loan until all other creditors have been paid in full.

The bank loan amounting to £205,714 is secured by a charge on the company's vessel.

5	CALLED UP SHARE CAPITAL	1994		1993	
		<u>Number</u> <u>Authorised</u>	<u>Issued and</u> <u>fully paid</u>	<u>Number</u> <u>Authorised</u>	<u>Issued and</u> <u>fully paid</u>
	Ordinary shares of £1 each	1,000	£1,000	1,000	£1,000
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

6 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of Northern Horizon Limited is J Marr Limited, incorporated in Great Britain.