

BAY CLASS YACHTS LIMITED
(formerly BAY CLASS YACHTS (KENT) LIMITED)

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

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DIRECTOR

E. Bjoerkman

COMPANY SECRETARY

Mrs. I.B.A. Bjoerkman

REGISTERED OFFICE

Thames House,
Roman Square,
Sittingbourne,
Kent.
ME10 4BJ.

AUDITORS

Spain Brothers & Co.,
Thames House,
Roman Square,
Sittingbourne,
Kent. ME10 4BJ.

COMPANY NUMBER

2776811



AUDITORS' REPORT TO BAY CLASS YACHTS LIMITED (formerly BAY CLASS YACHTS (KENT)
LIMITED) UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 5 together with the full financial statements of the company for the year ended 31st December 1996 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

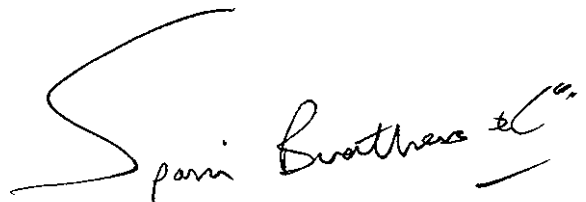
The Directors are responsible for the preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated financial statements are properly prepared in accordance with the provisions and 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 financial statements and that the abbreviated financial statements are properly prepared. The scope of our work for the purpose of this report does 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 financial statements in accordance with Sections 246(5) and (6), and the abbreviated financial statements on pages 3 to 5 have been properly prepared in accordance with those provisions.

A large, stylized handwritten signature in dark ink, reading "Spain Brothers & Co." with a flourish at the end.

Thames House,
Roman Square,
Sittingbourne,
Kent.

SPAIN BROTHERS & CO.
Chartered Accountants
Registered Auditors

24th October 1997

BAY CLASS YACHTS LIMITED
(formerly BAY CLASS YACHTS (KENT) LIMITED)

BALANCE SHEET as at 31st DECEMBER 1996

<u>NOTE</u>		<u>1995</u>
2.	<u>FIXED ASSETS</u>	
	Tangible Assets	1008
		1772
	<u>CURRENT ASSETS</u>	
	Stocks	230235
		231962
	Debtors	16923
		584
	Cash at Bank and in Hand	2196
		9334

		249354
		241880
	<u>CREDITORS: Amounts falling due</u>	
	within one year	381617
		324742

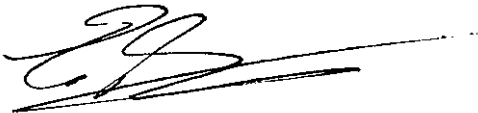
	<u>NET CURRENT LIABILITIES</u>	(132263)
		(82862)

	<u>NET LIABILITIES</u>	£(131255)
		£(81090)
		=====
		=====
	<u>CAPITAL AND RESERVES</u>	
3.	Called Up Share Capital	100
		100
	Profit and Loss Account	(131355)
		(81190)

	<u>SHAREHOLDERS' FUNDS</u>	£(131255)
		£(81090)
		=====
		=====

The Director has taken advantage, in the preparation of the abbreviated financial statements, of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 24th October 1997
and signed on its behalf by:

X

E. BJOERKMAN
Director

The notes on pages 4 and 5 form part of these abbreviated financial statements.

BAY CLASS YACHTS LIMITED
(formerly BAY CLASS YACHTS (KENT) LIMITED)

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the year ended 31st DECEMBER 1996

1. PRINCIPAL ACCOUNTING POLICIES

Basis of Accounting

The company's financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted are as follows:-

Cash Flow Statement

The company qualifies as a small company under the Companies Act 1985. The Director has elected to take advantage of the exemption under FRS1 not to prepare a Cash Flow Statement.

Going Concern

The financial statements are prepared on the basis that the company will continue in operational existence for the foreseeable future. This means in particular that the Profit and Loss Account and Balance Sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation. The financial statements have been prepared on this basis given the continuing financial support of the Director, who is the principal creditor of the company.

Turnover

Turnover comprises amounts derived from the provision of goods and services in the normal course of business net of discounts, Value Added Tax and other related sales.

Depreciation

Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost of each asset evenly over its expected useful life as follows:-

Plant and Equipment	- 20% on cost
Office Equipment	- 20% on cost

Stock and Work in Progress

Stock is stated at the lower of cost and net realisable value as follows:-

Raw Materials and Goods for Resale	- Purchase on a first in, first out basis.
Work in Progress and Finished Goods	- Cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price after allowing for all further costs of completion and disposal.

Long Term Contracts

Long Term Contract balances are stated at net cost after deducting agreeable losses and payments on account not matched with turnover.

BAY CLASS YACHTS LIMITED
(formerly BAY CLASS YACHTS (KENT) LIMITED)

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the year ended 31st DECEMBER 1996

1. PRINCIPAL ACCOUNTING POLICIES - Continued

Deferred Tax

Provision for deferred taxation is made under the liability method only to the extent that it is probable that a liability will become payable in the foreseeable future.

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
<u>Cost</u>	
At 1st January 1996	4433
Additions	123

31st December 1996	4556

<u>Depreciation</u>	
At 1st January 1996	2661
Provided for the year	887

At 31st December 1996	3548

<u>Net Book Value</u>	
At 31st December 1996	£ 1008
	=====
<u>Net Book Value</u>	
At 31st December 1995	£ 1772
	=====

3. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
<u>Authorised</u>		
100000 Ordinary Shares of £1 each	£100000	£100000
	=====	=====
<u>Issued and Fully Paid</u>		
100 Ordinary Shares of £1 each	£ 100	£ 100
	=====	=====

4. PARENT UNDERTAKING

The ultimate Parent Undertaking is Swale Marina (CI) Limited registered in Jersey.