

2865454

SPIRIT YACHTS LIMITED

Report of the Directors and Financial Statements

Year Ended 31st October 1998



FINANCIAL STATEMENTS

Year ended 31st October 1998

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SPIRIT YACHTS LIMITED

COMPANY INFORMATION
Year ended 31st October 1998

Director : **M.A. Newman**

Secretary: **J. P. Lewis**

Registered Office: **Hill House Farm**
 Dedmans Lane
 Benhall
 Saxmundham
 Suffolk IP17 1JJ

Company Number: **2865454 (England and Wales)**

Bankers : **HSBC Plc**
 Saxmundham
 Suffolk

SPIRIT YACHTS LIMITED

REPORT OF THE DIRECTORS
Year Ended 31st October 1998

The directors are pleased to present their report together with the financial statements for the year ended 31st October 1998.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of building fine wooden racing yachts.

DIRECTORS

The company's directors were:

M. A. Newman

The beneficial interests of the director holding office at 31st October 1998 were:

£1 Ordinary Shares	31 st October 1998	1 st November 1997
M. A. Newman	45	45

No rights to subscribe for shares were granted or exercised.

The directors' 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



J. P. Lewis

Secretary

Dated:

August 27th 1999

PROFIT AND LOSS ACCOUNT
Year Ended 31st October 1998

	* Notes	1998 £	1997 £
TURNOVER	2	179,216	180,207
Cost of sales		134,454	143,234
Gross Profit		44,762	36,973
Administrative expenses		26,197	38,251
OPERATING PROFIT (LOSS)	3	18,565	(1,278)
Interest receivable (payable)		320	1,142
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAX		18,885	(2,420)
Tax		---	---
PROFIT (LOSS) FOR THE YEAR AFTER TAX		18,885	(2,420)
Deficit brought forward		(38,915)	(36,495)
DEFICIT CARRIED FORWARD		(20,030)	(38,915)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current or previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the gain for the current year and the losses for the previous years.

*** The notes form part of these financial statements**

BALANCE SHEET
31st October 1998

		1998		1997	
	* Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		5,328		5,425
CURRENT ASSETS					
Stocks	5	10,000		8,500	
Cash at bank and on hand		19,658		11,406	
Other		1,000		---	
		30,658		19,906	
CURRENT LIABILITIES					
Creditors: Amounts due within one year	6	37,279		64,109	
NET CURRENT LIABILITIES			(6,621)		(44,203)
ASSETS less net current liabilities			(1,293)		(38,778)
Creditors: Amounts due after one year	7		18,600		-----
TOTAL: LIABILITIES LESS ASSETS			(19,893)		(38,778)
CAPITAL AND RESERVES:					
Called up share capital	8		137		137
Profit and loss account			(20,030)		(38,915)
SHAREHOLDERS' FUNDS	9		(19,893)		(38,778)

The company is entitled to exemption from audit for the year ended 31st October 1998 under Section 249A(1) of the Companies Act 1985.

No notice has been deposited in relation to its financial statements for the financial year (Section 249B(2) of the Companies Act 1985).

The Directors acknowledge their responsibilities for:

- (a) ensuring that the company maintains accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of the company as at the end of each financial year and of its profit and loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

*The notes form part of these financial statements

BALANCE SHEET


31st October 1998

**The financial statements have 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:

M. A. Newman, Director.

Approved by the board



August 27th 1999

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st October 1998

1. Accounting Policies.

Accounting convention.

The financial statements have been prepared with applicable accounting standards using the historical cost convention.

Turnover.

Turnover represents net invoiced sales of goods, excluding Value Added Tax.

Depreciation rates.

Depreciation has been provided at the following rates :

Plant and Machinery	20% per annum of written down value.
Automobiles	25% per annum of written down value.

Stocks.

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation.

Deferred taxation is provided in respect of the tax effect of all material differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future at the rates of tax expected to apply when the timing differences reverse. No provision is required.

2. Turnover

Turnover is derived from the one principal activity of the company, that of building fine wooden racing yachts.

3. Operating profit (loss)

The operating profit (loss) is stated after charging:

	1998	1997
	£	£
Depreciation	1,597	1,585

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st October 1998

4. Fixed Assets; Tangible.

**Plant and Machinery;
Automobiles
£**

Cost:At 1st November 1997

9,158

Additions

1,500

At 31st October 1998

10,658

Accumulated Depreciation:At 1st November 1997

3,733

Charge for year

1,597

At 31st October 1998

5,330

Net Book Value:At 31st October 1998

5,328

At 31st October 1997

5,425

5. Stocks

1998

1997

£

£

Work in progress

10,000

8,500

6. Creditors: Amounts falling due within one year

Trade creditors

20,371

5,446

Director's current account*

48,369

V.A.T.

527

7,014

Accrued expenses

1,981

3,280

Loan -- short term

14,400

37,279

64,109

*The amount shown within creditors at 31.10.97 was owed to a previous director of the company who resigned during the year to 31.10.97 and was therefore not a serving director at 31st October 1997. The full amount was repaid in the year to 31.10.98.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st October 1998

7. Creditors: Amounts due after one year.			1998	1997
			£	£
Medium term loan			18,600	-----
8. Called up Share Capital				
Authorised:				
Number:	Class:	Nominal Value		
5,000	Ordinary	£1	5,000	5,000
Allotted, issued & fully paid.	Ordinary	£1	137	137
9. Reconciliation of movements in shareholders' funds.				
Profit (loss) for the year.			18,885	(2,420)
Net increase(reduction) in shareholders' funds			18,885	(2,420)
Increase in share capital			-----	37
Opening Shareholders' funds.			(38,778)	(36,395)
Closing Shareholders' funds.			(19,893)	(38,778)
Equity interests			(19,893)	(38,778)

SPIRIT YACHTS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
Year ended 31st October 1998

	1998		1997	
	£	£	£	£
Sales		179,216		180,207
Cost of Sales:				
Opening stock	8,500		1,000	
Purchases	90,528		74,244	
Wages/sub- contractors	45,426		76,490	
	144,454		151,734	
Closing stock	(10,000)		(8,500)	
		134,454		143,234
Gross Profit		44,762		36,973
EXPENDITURE				
Telephone/fax	607		1,297	
Travelling	758		1,193	
Motor expenses	3,311		6,438	
Premises	3,964		4,208	
Office/administration	3,052		9,695	
Sundry	1,114		982	
Accounting	1,895		1,581	
Marketing/advertising	6,527		6,688	
Entertainment	398		669	
Insurance	1,724		1,909	
Light and heat	1,019		1,244	
		24,369		35,904
		20,393		1,069
Bank interest (rec'd) paid	(320)		1,142	
Bank charges	231		762	
		(89)		1,904
		20,482		(835)
Depreciation: Plant and Machinery	537		671	
Depreciation: Motor Vehicles	1,060		914	
		1,597		1,585
NET PROFIT (LOSS)		£18,885		£(2,420)

This page does not form part of the statutory financial statements.