

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

Abbreviated Accounts
For the year ended 31st October 2001

HENDERSON & COMPANY
CHARTERED ACCOUNTANTS
73 UNION STREET
GREENOCK



SCT S15J4CNK 1039
COMPANIES HOUSE 20/07/02

**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 5, together with the financial statements of the company for the year ended 31st October 2001 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

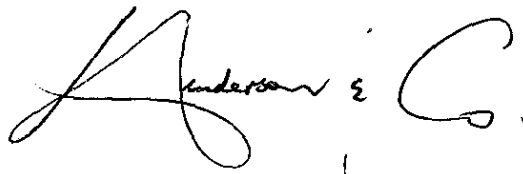
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and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

A handwritten signature in cursive script that reads "Henderson & Co." with a small vertical line underneath the word "Henderson".

HENDERSON & COMPANY
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

73 Union Street,
Greenock
PA16 8BG

13th May 2002

WAVERLEY STEAM NAVIGATION CO. LTD.
ABBREVIATED BALANCE SHEET AS AT 31ST OCTOBER 2001

	2001	2000	Note
	£	£	
FIXED ASSETS			
Tangible Assets	3,824,938	3,881,292	2
Investment in Subsidiary	100	175,100	3
	3,825,038	4,056,392	
CURRENT ASSETS			
Investment	-	-	
Debtors	1,139	165,088	
Cash at Bank	41,462	95,004	
	42,601	260,092	
CREDITORS			
Amounts falling due within one year	8,400	16,406	
	34,201	243,686	
NET CURRENT ASSETS			
DEBTORS			
Amounts Recoverable after more than one year	389,968	-	4
	4,249,207	4,300,078	
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	46,435	53,935	5
DEFERRED INCOME	3,590,296	3,746,398	
	612,476	499,745	
CAPITAL AND RESERVES			
Called Up Share Capital	39	39	6
Income and Expenditure Account	612,437	499,706	
	612,476	499,745	

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

D.I. McMILLAN, T.ENG., I.MAR.E.


Director

13th May 2002

**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 and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 1992 and Accounting and Reporting by Charities Statement of Recommended Practice (SORP) issued in October 2000.

(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.

(c) Grants

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.

(d) Donations, Legacies and Similar Incoming Resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

(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% & 4%	straight line per annum
Catering Equipment	33 1/3%	straight line per annum

The rebuild expenditure capitalised is being written off over a twenty - five year period. The other vessel will continue to be written off over a ten year period.

Utensils are treated on a replacement basis.

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2. TANGIBLE FIXED ASSETS

Cost	£
As at 1st November 2000	4,256,264
Disposals in Year	116,221
Purchased during Year	(6,279)
As at 31st October 2001	<u>4,366,206</u>
Depreciation	
As at 1st November 2000	374,972
On Disposals	(3,277)
Charge for Year	169,573
As at 31st October 2001	<u>541,268</u>
Net Book Value	
As at 31st October 2001	<u>3,824,938</u>
As at 31st October 2000	<u>3,881,292</u>

On 18th February 1998 the Trustees of the National Heritage Memorial Fund took a 25 year mortgage on the vessel P.S. "Waverley" as security for the conditions of the grant accepted by the Company for the Heritage Rebuild project. On 17th July 2000 the Paddle Steamer Preservation Society took a 20 year mortgage on M.V. "Balmoral" as security for funding received by the company for the Heritage Rebuild of P.S. "Waverley".

3. INVESTMENT IN SUBSIDIARY

	2001	2000
	£	£
Shares at Cost	100	100
Due by Subsidiary (repayable after more than one year)	-	175,000

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 capital and reserves as at 31st October 2001 and results for the year ended on that date were as follow:-

Capital and Reserves	Profit for Year after taxation
£	£
<u>(323,535)</u>	<u>29,502</u>

4. DEBTORS: Recoverable in more than one year

Amounts outstanding from the subsidiary company, Waverley Excursions Limited, at 31st October 2001 amounted to £389,968. These are not recoverable within one year as at the present time the subsidiary is not in a position to repay these sums. These sums will be repaid once the subsidiary company has recommenced profitable trading.

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5. **CREDITORS**

Out of the £46,435 (2000 - £53,935) falling due after more than one year amounts totalling £16,435 (2000 - £23,935) are repayable from the fifth year and thereafter. The repayments are by annual instalments of £7,500.

6. **SHARE CAPITAL**

	2001	2000
Authorised		
100 Ordinary Shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, Called Up and Fully Paid		
39 Ordinary Shares of £1 each	39	39
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