

SCOT TRADER SHIPPING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 MARCH 1997

Registered number: 166821

ANDREW DUNCAN & CO
Chartered Accountants
Inverness

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SCOT TRADER SHIPPING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the period ended 31 March 1997

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SCOT TRADER SHIPPING LIMITED
AUDITORS' REPORT TO
SCOT TRADER SHIPPING LIMITED
UNDER SECTION 247B TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the period ended 31 March 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for 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 financial statements 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 considered 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 to be delivered 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

18 November 1997

Inverness

Andrew Duncan

Andrew Duncan & Co
Registered Auditor &
Chartered Accountants

SCOT TRADER SHIPPING LIMITED

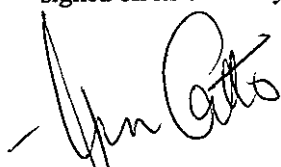
ABBREVIATED BALANCE SHEET

at 31 March 1997

	Note	1997 £	£
Fixed assets			
Tangible assets	2		1,385,384
Current assets			
Debtors		44,347	
		<u>44,347</u>	
Creditors: amounts falling due within one year	3	(405,779)	
		<u>(405,779)</u>	
Net current liabilities			(361,432)
Total assets less current liabilities			<u>1,023,952</u>
Creditors: amounts falling due after more than one year	3		(602,597)
Provision for liabilities and charges			(82,000)
			<u>339,355</u>
Capital and reserves			
Called up share capital	4		200,000
Profit and loss account			<u>139,355</u>
Total shareholders' funds			<u>339,355</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 29 September 1997 and signed on its behalf by:


A G M Catto
Director

SCOT TRADER SHIPPING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 March 1997

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Turnover

Turnover represents the amount derived from the provision of services falling within the company's activities.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Ship	- 10% per annum straight line
Plant and machinery	- 20% per annum straight line

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

Deferred repairs

As a condition of its registration the company's ship has to undergo an extensive survey and overhaul every five years. The company makes provision for the cost of each survey over the period leading up to that survey in relation to the number of days spent at sea in each financial year in order to match these costs with the revenue generated in each period.

2 Fixed assets

	Tangible fixed assets £
Cost	
Additions	1,463,562
31 March 1997	<u>1,463,562</u>
Depreciation	
Charge for period	(78,178)
31 March 1997	<u>78,178</u>

SCOT TRADER SHIPPING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 March 1997

2 Fixed assets (contd)

	Tangible fixed assets £
Net book amount	
31 March 1997	<u>1,385,384</u>

3 Secured creditors

Included in creditors falling due within one year are secured bank loans and overdrafts of £184,747. Included in creditors falling due after more than one year is a secured bank loan of £602,597.

4 Called up share capital

	1997	
	Number of shares	£
Authorised		
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted called up and fully paid		
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

One ordinary share was issued at par on incorporation on 4 July 1996. 199,999 ordinary shares were issued at par on 21 August 1996 to provide the initial working capital of the company.

5 Ultimate parent undertaking

The company's ultimate parent undertaking is Scotline Marine Holdings Limited, a non-trading company registered in Scotland.

6 Related parties

During the period the company charged ship hire of £377,633 to Scotline Limited, a company in which P T Millatt is a director. The hire rates are set under a five year time charter agreement between the companies. £33,137 was outstanding at 31 March 1997 and is included in debtors.

During the period the company was charged management fees of £10,970 by Intrada Chartering Limited, a company in which P T Millatt is a director. The fees cover ship and technical management and are charged on a monthly basis. £5,001 was outstanding at 31 March 1997 and is included in creditors falling due within one year.

7 Comparative figures

There are no comparative figures, this being the company's first period of trading.