

Registered

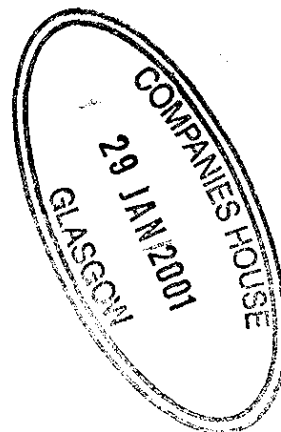
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**Accounts for
the year ended 31 March 2000**

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SAIL SCOTLAND LIMITED
**(Company limited
by guarantee)**



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Sail Scotland Limited

Registered Number

SC 154190

Directors

E H Martin (Chairman)
K R Dalton
M R Latimer
A Howie
D J G Scott
R G Smith

Secretary

J McK Wilson

Registered Office

PO Box 8363
Largs
Ayrshire
KA30 8YD

Accountants

Mazars Neville Russell
Chartered Accountants
90 St Vincent Street
Glasgow
G2 5UB

Bankers

Clydesdale Bank plc
6 Argyll Square
Oban
Argyll
PA34 4AZ

Sail Scotland Limited

Report of the directors For the year ended 31 March 2000

1. The directors present herewith the accounts for the year ended 31 March 2000.

Principal activity

2. The principal activity of the company is the promotion of the Scottish marine leisure industry.

Directors' responsibilities for preparing the financial statements

3. The directors are obliged under company law to prepare financial statements for each financial year and to present them annually to the company's members in annual general meeting. The financial statements of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for that year and they must comply with applicable accounting standards. The directors are also responsible for the adoption of suitable accounting policies, their consistent use in the financial statements supported where necessary by reasonable and prudent judgements and for their preparation on a going concern basis unless it is inappropriate to presume that the company will continue in business. The directors confirm that the above requirements have been complied with in the financial statements. In addition, the directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the company and to prevent and detect fraud or any other irregularities.

Results for year

4. The results for the year are set out in the profit and loss account on page 5.

Sail Scotland had a difficult year in 1999/2000 due to the loss of our major sponsors, Saab Great Britain and the non-payment of anticipated funding from some development agencies.

Major changes to the international structure and control of Saab by its parent General Motors resulted in a transfer of emphasis of its marketing away from sailing.

The concerns over the lack of development funds resulted in Scottish Enterprise commissioning a review of Sail Scotland by independent economic consultants. That review was completed by the autumn and has led to the agreement of additional funding for the year 2000/2001 and a further year's support as part of an overall exit strategy for those agencies that have backed Sail Scotland from its inception.

The directors believe that this gives Sail Scotland sufficient time to bid for additional central funding support from the Scottish Tourist Board and to apply for additional project funding from the other enterprise companies who have benefited from our activities over the last six years.

We are anticipating that the projected profit for year 2000/2001 will reverse the losses of this year and return Sail Scotland to a satisfactory trading position. This improvement in our finances will be further supplemented in the lowlands with support from the European Union through our new Welcome Ashore initiatives with Kilmarnock College.

Sail Scotland Limited

Report of the directors - continued

Fixed assets

5. The movements in fixed assets during the year are shown in note 6 to the accounts.

Directors

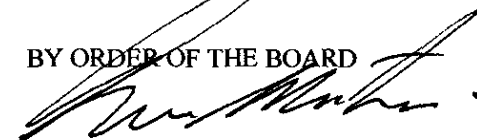
6. The directors of the company at 31 March 2000 who served during the year were as follows:-

E Martin	
K R Dalton	
D G Horn	resigned 16 January 2000
A Howie	
M R Latimer	appointed 26 January 2000
D J G Scott	
R Smith	

Small company exemptions

8. In preparing the above report the directors have taken advantage of the special exemptions applicable to small companies provided by Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



E H Martin
Chairman
17 January 2001

Report of the Accountants to the directors of Sail Scotland Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2000, set out on pages 5 to 9 and you consider that the company is exempt from an audit and a report under section 249(A) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information supplied to us.



MAZARS NEVILLE RUSSELL
Chartered Accountants

90 St Vincent Street
Glasgow
G2 5UB
17 January 2001

Sail Scotland Limited

Profit and Loss Account For the Year ended 31 March 2000

	Notes	2000 £	1999 £
TURNOVER	2	127,036	178,188
Administration expenses		170,548	178,533
Operating (loss)	3	(43,512)	(345)
Interest receivable		66	614
		(43,446)	269
Interest payable and similar charges	4	3,209	1,046
(LOSS) FROM ORDINARY ACTIVITIES		(46,655)	(777)
Tax on (loss) from ordinary activities	5	-	(164)
RETAINED (LOSS) FOR YEAR		£(46,655)	£(613)
STATEMENT OF ACCUMULATED (LOSSES)			
Accumulated (losses) at 1 April 1999		(383)	230
Retained (loss) for the year		(46,655)	(613)
ACCUMULATED (LOSSES)			
AT 31 MARCH 2000		£(47,048)	£(383)

Turnover and operating profit derive wholly from continuing operations.
There were no other recognised gains or losses during the above years.

The notes on pages 7 to 9 form part of these accounts.
Accountants' report page 4

Sail Scotland Limited

Balance Sheet As at 31 March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	6	11,143	9,974
CURRENT ASSETS			
Stocks		-	976
Debtors	7	18,768	43,152
Cash at bank and in hand		226	2,236
		18,994	46,364
CREDITORS: amounts falling due within one year	8	77,175	56,721
NET CURRENT (LIABILITIES)		(58,181)	(10,357)
NET (LIABILITIES)		£(47,038)	£(383)
CAPITAL AND RESERVES			
Profit and loss account		£(47,038)	£(383)

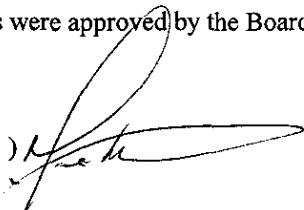
In preparing these financial statements :

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and;
- (c) The directors acknowledge their responsibilities for :
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 17 January 2001.

MR Latimer



Director

The notes on pages 7 to 9 form part of these accounts
Accountants' report page 4

Sail Scotland Limited

Notes to the accounts - 31 March 2000

Principal accounting policies

1. A summary of the principal accounting policies is set out below :-

Depreciation

Depreciation is calculated so as to write off the cost of fixed assets over the expected useful economic lives of the assets concerned. The annual rates of depreciation used for this purpose are :-

Display equipment	33.3% straight line
Office equipment	20% reducing balance

Deferred Taxation

Taxation deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Finance and operating leases

Assets held under finance leases are capitalised and depreciated in line with accounting policy. The outstanding capital element of the related obligations is included in creditors. The interest element is charged to the profit and loss account over the term of the lease. Rentals in respect of all other leasing agreements are charged to the profit and loss account as incurred.

Turnover

Turnover, which excludes value added tax and trade discount, represents the invoiced value of goods and services supplied.

Turnover

2. The turnover was entirely within the United Kingdom and comprises :-

	2000	1999
	£	£
Membership subscriptions	5,785	7,970
Promotional events	46,903	51,864
Brochures	32,465	31,362
Private sponsorship	31,883	44,242
Core funding	10,000	42,750
	-----	-----
	£127,036	£178,188
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Sail Scotland Limited

Notes to the accounts - 31 March 2000 (continued)

Operating profit

	1998 £	1999 £
3. Operating profit is stated after charging:-		
Auditors' remuneration	-	1,000
Equipment leasing	1,620	1,546
Depreciation of tangible fixed assets	7,043	5,066
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Interest and similar charges

4. Interest and similar charges payable relates wholly to bank and other short term borrowings.

Tax on profit on ordinary activities

5.		
United Kingdom corporation tax payable on the (loss) for the year	-	-
Overprovision in prior year	-	(164)
	-----	-----
	£-	£(164)
	-----	-----

Tangible fixed assets

6.	Display equipment £	Office equipment £	Total £
Cost			
As at 1 April 1999	38,343	4,788	43,131
Additions	7,635	577	8,212
Disposals	(26,387)	-	(26,387)
	-----	-----	-----
As at 31 March 2000	19,591	5,365	24,956
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Depreciation			
As at 1 April 1999	31,141	2,016	33,157
Disposals	(26,387)	-	(26,387)
Charge for year	6,489	554	7,043
	-----	-----	-----
As at 31 March 2000	11,243	2,570	13,813
	-----	-----	-----
Net book value			
As at 31 March 2000	£8,348	£2,795	£11,143
	-----	-----	-----
As at 31 March 1999	£7,202	£2,772	£9,974
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Sail Scotland Limited

Notes to the accounts - 31 March 2000 (continued)

Debtors

7.	2000 £	1999 £
Trade debtors	8,812	25,382
VAT recoverable	4,092	5,176
Prepaid charges and accrued income	5,864	12,594
	<hr/>	<hr/>
	£18,768	£43,152
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All the above amounts are due within one year of the balance sheet date.

Creditors: amounts falling due within one year

8.	2000 £	1999 £
Bank overdraft	51,373	10,480
Trade creditors and accrued charges	25,802	46,241
	<hr/>	<hr/>
	£77,175	£56,721
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