

AIR BROKERS INTERNATIONAL LIMITED
COMPANY REGISTRATION NUMBER 1576073

AUDITORS' REPORT TO AIR BROKERS INTERNATIONAL LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

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

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1996, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other information

On-9 JUL 1996 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1996, and our audit report was as follows:



AIR BROKERS INTERNATIONAL LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF
AIR BROKERS INTERNATIONAL LIMITED

"We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."



Spofforths
Chartered Accountants and Registered Auditor
1 South Street
Chichester
West Sussex
PO19 1EH

Date: .- 9 JUL 1996

AIR BROKERS INTERNATIONAL LIMITED

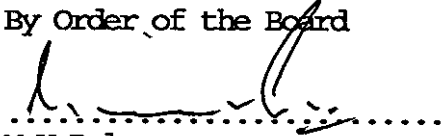
BALANCE SHEET AS AT 31ST MARCH 1996

| | | 1996 | | 1995 | |
|---|-------|----------------|-----------------|----------------|-----------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | 2 | | | | |
| Tangible assets | | | 3,313 | | 907 |
| Investments | | | 340 | | 340 |
| CURRENT ASSETS | | | | | |
| Debtors | | 33,490 | | 36,295 | |
| Cash at bank and in hand | | 99,669 | | 67,012 | |
| | | <u>133,159</u> | | <u>103,307</u> | |
| CURRENT LIABILITIES | | | | | |
| Creditors-amounts falling due within one year | | <u>85,638</u> | | <u>63,579</u> | |
| NET CURRENT ASSETS | | | <u>47,521</u> | | <u>39,728</u> |
| NET ASSETS | | | <u>£ 51,174</u> | | <u>£ 40,975</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 3 | | 100 | | 100 |
| Profit and loss account | | | 51,074 | | 40,875 |
| SHAREHOLDERS FUNDS | | | <u>£ 51,174</u> | | <u>£ 40,975</u> |

The directors have relied on the exemptions for abbreviated accounts conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 on the grounds that the company satisfies the qualifying conditions for treatment as a small company.

Advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small companies on the grounds that the company satisfies the qualifying conditions for treatment as a small company.

By Order of the Board


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M V Rule

Date: 9 JUL 1996

AIR BROKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996

1. ACCOUNTING POLICIES

a) Accounting convention

These financial statements have been prepared in accordance with the historical cost convention and in accordance with Statements of Standard Accounting Practice. A cash flow statement has not been prepared in accordance with Financial Reporting Standard 1 as the directors have relied upon the small companies exemption provisions of that standard.

b) Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax.

c) Depreciation of tangible assets

Depreciation is calculated so as to write down the cost or valuation of fixed assets to their estimated residual values over the period of their estimated useful economic lives.

The depreciation rates applied are as follows:-

| | | |
|---------------------|---|-----------------------|
| Assets for leasing | : | evenly over two years |
| Plant and equipment | : | 20% reducing balance |

d) Leased Assets

Fixed assets leased under finance leases are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. The costs of operating leases are charged to the profit and loss account as they accrue.

e) Fixed Asset Investments

Fixed asset investments are capitalised at cost and written down only where a permanent diminution of value has occurred.

f) Stocks

The company has no stock or work in progress.

g) Foreign currencies

Transactions during the year undertaken in foreign currencies are translated to sterling at the prevailing exchange rate of the day of the transaction. Asset and liabilities at the year end including accounts payable, receivable and cash in hand are translated into sterling at the exchange rate prevailing at that date.

h) Deferred Taxation

No provision has been made in these accounts as the directors do not consider a material charge will arise in the foreseeable future.

AIR BROKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996 (continued)

2. **FIXED ASSETS**

| | <u>Total</u> |
|--------------------------------------|--------------|
| Cost: | £ |
| At 1st April 1995 | 14,991 |
| Additions | 3,234 |
| | <hr/> |
| At 31st March 1996 | 18,225 |
| | <hr/> |
| Depreciation: | |
| At 1st April 1995 | 14,084 |
| Charge for year | 828 |
| | <hr/> |
| At 31st March 1996 | 14,912 |
| | <hr/> |
| Net book value at 31st March 1996 | £3,313 |
| | <hr/> <hr/> |
| Net book value at 31st March 1995 | £907 |
| | <hr/> <hr/> |

3. **SHARE CAPITAL**

| | <u>Authorised</u> | <u>Allotted, Issued and fully paid</u> | |
|----------------------------|-------------------|--|-------------|
| | | 1996 | 1995 |
| Ordinary shares of £1 each | £ 100 | £ 100 | £ 100 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |