

**M C Outstations Limited**

Report and Accounts

31 December 2005

*Registered number*  
**563027**



**M C Outstations Limited**  
**Directors' Report**

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The directors present their report and accounts for the year ended 31 December 2005.

**Principal activities and review of the business**

The company did not undertake any trading activity during the year but holds a trade investment in Airline Maintenance Associates Limited. Accordingly, no profit and loss account is presented. The directors do not anticipate the company recommencing trading imminently. The directors do not recommend the payment of a dividend (2004 - £1,449,377).

**Directors and their interests**

The directors who served during the year were as follows:

M. J. Marshall, C. B. E. D.L. (Chairman)  
J. D. Barker  
W. C. M. Dastur

In accordance with the Articles of Association, W. C. M. Dastur retires by rotation and, being eligible, offers himself for re-election.

M. J. Marshall and W. C. M. Dastur are also directors of the parent company and their interests in the share capital of the parent company are disclosed in that company's accounts. None of the other directors had any interest in the share capital of the company or of any other group company during the year.

The parent company has effected Directors' and Officers' Insurance in respect of all directors of the parent company and its subsidiary undertakings.

**Auditors**

A resolution to re-appoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 25 April 2006.



J. D. Barker  
Secretary

**M C Outstations Limited**  
**Statement of Directors' Responsibilities**

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The directors are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **M C Outstations Limited**

### **Independent auditors' report to the shareholders of M C Outstations Limited**

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We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Balance Sheet and the related notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

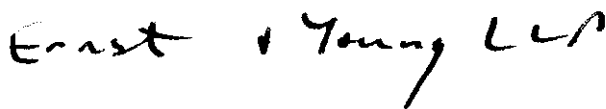
#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered auditors  
Cambridge  
25 April 2006

**M C Outstations Limited**  
**Balance Sheet**  
**as at 31 December 2005**

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Investments	3	31,730	31,730
<b>Net assets</b>		<u>31,730</u>	<u>31,730</u>
<b>Capital and reserves</b>			
Called up share capital	4	12,000	12,000
Profit and loss account	5	19,730	19,730
<b>Shareholders' funds</b>	6	<u>31,730</u>	<u>31,730</u>

M. J. Marshall



W. C. M. Dastur



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Approved by the Board on 25 April 2006

**M C Outstations Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2005**

**1 Accounting policies**

The accounts take into consideration events occurring between 31 December 2005 and the date of their approval by the board of directors, as indicated on the balance sheet.

**Accounting convention**

These accounts are prepared under the historical cost convention and in accordance with all applicable accounting standards.

**Dividends**

In accordance with FRS 16, Current Tax, UK dividends have been shown net of the associated tax credit.

<b>2 Equity dividends</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Equity dividends on ordinary shares - final paid	-	1,449,377

**3 Investments**

	<b>Investments in subsidiary undertakings</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2005	31,730
At 31 December 2005	31,730

The investment represents the cost of acquiring 15% of the issued share capital of Airline Maintenance Associates Ltd. The directors believe that market value of the investments exceeds the cost.

<b>4 Share capital</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Authorised:	20,000	20,000
Ordinary		
	<b>2005</b>	<b>2004</b>
	<b>No</b>	<b>No</b>
2005	2005	2004
	£	£
Allotted, called up and fully paid:		
Ordinary shares of £1 each	12,000	12,000

<b>5 Profit and loss account</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
At 1 January	19,730	1,469,107
Dividends	-	(1,449,377)
At 31 December	19,730	19,730

**M C Outstations Limited****Notes to the Accounts****for the year ended 31 December 2005**

<b>6 Reconciliation of movement in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
At 1 January	31,730	1,481,107
Dividends	-	(1,449,377)
At 31 December	<u>31,730</u>	<u>31,730</u>

**7 Related parties**

The company has claimed the exemptions available under Financial Reporting Standard No. 8 and has not disclosed transactions with group undertakings.

**8 Ultimate parent undertaking**

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Marshall of Cambridge (Holdings) Limited, registered in England and Wales, and this is therefore considered to be the ultimate parent undertaking. Copies of the group accounts can be obtained from Marshall of Cambridge (Holdings) Limited, Airport House, The Airport, Cambridge, CB5 8RX.