

Client Number: 1110435

MANN AVIATION SALES LIMITED
REPORT AND FINANCIAL STATEMENTS
31st OCTOBER 2003



Mann Aviation Sales Limited
Report and Financial Statements
For the year ended 31st October 2003

Contents

	Page
Company information	1
Report of the directors	2
Report of the auditors	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

Mann Aviation Sales Limited

Company Information

Directors

A.G. Mann
C.J. Hobbs
R. Luscombe

Secretary and Registered Office

C.J. Hobbs
Fairoaks Airport, Chobham, Woking, Surrey, GU24 8HX

Registered Number

1110435 (England and Wales)

Auditors

Moore Stephens
Chartered Accountants
St. Paul's House, Warwick Lane, London, EC4P 4BN

Bankers

National Westminster Bank
P.O. Box No 38, 4th Floor, Abbey House, 282 Farnborough Road,
Farnborough, Hants. GU14 7YT

Solicitors

Mackrell Turner Garrett
Church Gate, 9-11 Church Street West, Woking, Surrey, GU21 1DJ

Mann Aviation Sales Limited**Report of the Directors**

The directors present their report with the financial statements of the company for the year ended 31st October 2003.

Principal Activity

The company did not trade during the year.

Dividends

The directors recommend the payment of a dividend for the year of £1654.98 per share (2002 - £Nil).

Directors

The directors during the year under review were:

A.G. Mann (Chairman)
C.J. Hobbs
R. Luscombe

Throughout the year the company was a wholly owned subsidiary of Fair Oaks Airport Limited so the directors did not have a direct interest in the share capital. Interests in the share capital of the ultimate holding company, Fair Oaks Holdings Limited, are detailed in that company's directors report.

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements 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 of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements 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 enable them to ensure that the financial statements 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.

Mann Aviation Sales Limited

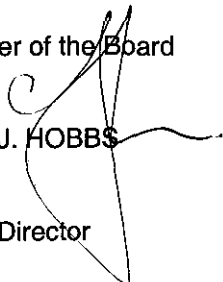
Report of the Directors (Continued)

Auditors

The auditors, Moore Stephens, are willing to continue in office. A resolution for their reappointment and authorising the directors to fix their remuneration will be submitted to the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board


C.J. HOBBS

Director

**Independent Auditors' Report to the Shareholders of
Mann Aviation Sales Limited**

We have audited the financial statements of Mann Aviation Sales Limited for the year ended 31st October 2003 set out on pages 5 to 9. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 auditor's 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 transactions with the company 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 United Kingdom 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.

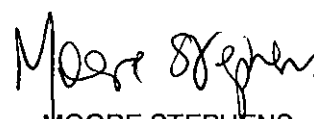
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 October 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House
London, EC4P 4BN

2nd April 2004


MOORE STEPHENS

Registered Auditor
Chartered Accountants

Mann Aviation Sales Limited

Profit and Loss Account
For the year ended 31st October 2003

	<u>Note</u>	<u>2003</u> £	<u>2002</u> £
Turnover - Discontinued activities		-	-
Administrative expenses	2	-	(54,755)
Loss on Ordinary Activities before Taxation		-	(54,755)
Tax on profit on ordinary activities		-	27,389
Result for the Financial Year after Taxation		-	(27,366)
Dividends		(165,498)	-
Loss for the Financial Year		(165,498)	(27,366)
Retained profit brought forward		165,498	192,864
Retained Profit Carried Forward	£	-	£ 165,498

The company did not trade in the year ended 31 October 2003 and has no recognised gains or losses other than those in the profit and loss account.

Mann Aviation Sales Limited

Balance Sheet as at 31st October 2003

	Note	2003		2002	
		£	£	£	£
Fixed Assets					
Tangible assets	4		-		1,019
Current Assets					
Debtors	5	5,376		660,999	
Cash at bank and in hand		1,229		1,908	
		6,605		662,907	
Creditors, amounts falling due within one year	6	(6,505)		(498,328)	
Net Current Assets			100		164,579
Total Assets Less Current Liabilities		£	100	£	165,598
Capital and Reserves					
Called up share capital	7		100		100
Profit and loss account			-		165,498
Equity Shareholders' Funds	11	£	100	£	165,598

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

The financial statements were approved by the Board on 2nd April 2004
and signed on its behalf by

C.J. HOBBS - Director

Mann Aviation Sales Limited

Notes to the Financial Statements
For the year ended 31st October 2003

1. Accounting Policies**(a) Accounting convention**

The financial statements have been prepared under the historical cost convention.

2. Administrative Expenses

Audit fees for 2002 and 2003 are paid for by the parent company.

3. Directors and Employees

There were no persons employed directly by the company during the year. None of the directors received any emoluments in the year (2002: £Nil).

4. Tangible Fixed Assets

	<u>Plant and Machinery</u> £
Cost	
At 1st November 2002 and Transfer to group company	20,913 (20,913)
At 31st October 2003	-
Depreciation	
At 1st November 2002 Transfer to group company	19,894 (19,894)
At 31st October 2003	-
Net book value	
At 31st October 2003	-
At 31st October 2002	1,019

5. Debtors: amounts falling due within one year

	<u>2003</u> £	<u>2002</u> £
Corporation tax	5,376	4,988
Owed by group undertakings	-	656,011
	<u>5,376</u>	<u>660,999</u>

Mann Aviation Sales Limited

Notes to the Financial Statements
For the year ended 31st October 2003 (Continued)

6. Creditors: amounts falling due within one year

	<u>2003</u> £	<u>2002</u> £
Owed to group undertakings	6,505	498,328

7. Called Up Share Capital

Authorised, allotted, issued and fully paid:

<u>Number</u>	<u>Class</u>	<u>Nominal value</u>	<u>2003</u> £	<u>2002</u> £
100	Ordinary	£1	100	100

8. Ultimate Parent Company

In the opinion of the directors, the company's ultimate parent company at 31st October 2003 was Fair Oaks Holdings Limited, a company registered in England and Wales.

The directors are of the opinion that Mr. A.G. Mann (a director of the company) is the ultimate controlling party. Mr. A.G. Mann is both a director and shareholder of Fair Oaks Holdings Limited.

9. Contingent Liabilities

The company has given an unlimited guarantee in respect of amounts due by fellow group undertakings to the group's principal bank. This is secured by a fixed and floating charge over all the assets of the company. At 31st October 2003 the group as a whole (excluding this company) has net borrowings of £Nil (2002: £Nil) from the bank.

10. Related Party Disclosures

The company is controlled by Fair Oaks Airport Limited who have a direct interest in 100% of the issued share capital of the company.

The results of the company are included in the consolidated financial statements of Fair Oaks Holdings Limited, who have an indirect interest in 100% of the issued share capital of the company. These financial statements are available on public record. The company has taken advantage of the FRS 8 exemption not to disclose transactions with group entities or investees of the group.

Copies of Fair Oaks Holdings Limited financial statements are available from its registered office at Fair Oaks Airport, Chobham, Surrey.

Mann Aviation Sales Limited**Notes to the Financial Statements
For the year ended 31st October 2003 (Continued)****11. Reconciliation of Movements in Shareholders' Funds**

	<u>2003</u>	<u>2002</u>
	£	£
Loss for the financial year	(165,498)	(27,366)
Opening Shareholders' Funds	<u>165,598</u>	<u>192,964</u>
Closing Shareholders' Funds	<u>100</u>	<u>165,598</u>
Equity interests	<u>100</u>	<u>165,598</u>