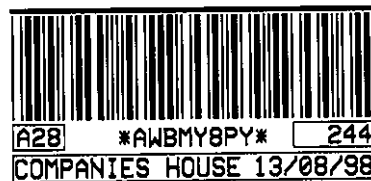


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AIRFAST ENGINEERING SERVICES LIMITED  
Registered number 1279766  
ACCOUNTS

31 OCTOBER 1997

2. Directors' report
3. Auditors' report
4. Profit and loss account
5. Balance sheet
6. Notes to the accounts



# AIRFAST ENGINEERING SERVICES LIMITED

## DIRECTORS' REPORT

The directors submit their report and the accounts for the year ended 31 October 1997.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the group and of the profit or loss for its financial year. In doing so the directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- 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 maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## PRINCIPAL ACTIVITY

The company did not trade during the year.

## RESULTS AND DIVIDENDS

The directors do not recommend the payment of a dividend.

## DIRECTORS

The directors who served during the year were R R Bills, Mrs J Bills and T S Bills.

The directors do not hold shares in the company, which is a wholly owned subsidiary of Raymond R Bills Limited. The directors listed above are directors of Raymond R Bills Limited and their shareholdings therein are shown in the accounts of that company.

## AUDITORS

Cook, Thompson & Co resigned as auditors during the year and Moores Rowland were appointed in their place.

A resolution will be proposed at the annual general meeting to re-appoint Moores Rowland as auditors.

Approved by the board on 21 July 1998  
and signed on its behalf by



T S BILLS

Director

AIRFAST ENGINEERING SERVICES LIMITED

AUDITORS' REPORT TO THE MEMBERS OF AIRFAST ENGINEERING SERVICES LIMITED

We have audited the accounts on pages 4 to 8.

**Respective responsibilities of directors and auditors**

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts and to 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 October 1997 and have been properly prepared in accordance with the Companies Act 1985.



MOORES ROWLAND

Chartered Accountants  
Registered Auditors

WALSALL

23 July 1998

# AIRFAST ENGINEERING SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 31 October 1997

	Notes	1997 £	1996 £
TURNOVER	2	-	166,799
Cost of sales		-	(123,857)
GROSS PROFIT		-	42,942
Administration expenses		-	(38,721)
OPERATING PROFIT	3	-	4,221
Interest receivable		-	9
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		-	4,230
Tax on profit on ordinary activities	5	-	(3,355)
PROFIT FOR THE FINANCIAL YEAR	12	-	875

The company did not trade during the year.

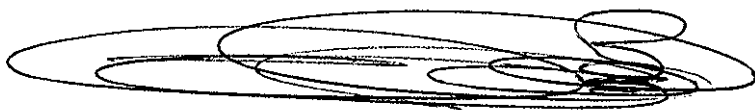
There were no recognised gains or losses other than those included in the profit and loss account.

# AIRFAST ENGINEERING SERVICES LIMITED

## BALANCE SHEET 31 October 1997

	Notes	1997 £	1996 £
<b>CURRENT ASSETS</b>			
Debtors	6	-	45,819
Cash at bank and in hand		88	2,253
		<u>88</u>	<u>48,072</u>
CREDITORS - amounts falling due within one year	7	(20,414)	(68,398)
NET CURRENT LIABILITIES		<u>(20,326)</u>	<u>(20,326)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(20,326)</u>	<u>(20,326)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(21,326)	(21,326)
SHAREHOLDERS' FUNDS	10	<u>20,326</u>	<u>(20,326)</u>

Approved by the board on 21 July 1998  
and signed on its behalf by



R R BILLS

Director

# AIRFAST ENGINEERING SERVICES LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 October 1997

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

#### Depreciation of tangible fixed assets

Depreciation of tangible fixed assets is provided so as to write them off over their estimated useful lives.

Plant and machinery	- 15% reducing balance
Fixtures and fittings	- 10% reducing balance
Office furniture and equipment	- 10% reducing balance
Motor vehicles	- 25% reducing balance

#### Stocks

Stocks are valued at the lower of cost and net realisable value with due allowance for any obsolete or slow moving items.

Work in progress and finished goods include appropriate overhead expenses.

#### Deferred taxation

Deferred taxation is calculated by the liability method and provision is made to the extent that it is probable a liability will crystallise.

#### Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the date of each transaction. All exchange differences are included in operating profit.

#### Assets held under hire purchase contracts and finance leases

Assets held under hire purchase contracts and leases which confer rights and obligations similar to those attaching to owned assets are capitalised as tangible fixed assets and the corresponding liability to pay rentals is shown net of interest in the accounts as obligations under hire purchase contracts and finance leases. The capitalised values and finance charges are written off over the shorter of the period of the lease or contract and the useful life of the assets concerned.

#### Operating leases

Operating lease payments are charged to the profit and loss account in the period in which they are incurred.

#### Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the period.

### 2. TURNOVER

The whole of the turnover and profit before taxation is attributable to the principal activities of the company, general engineers.

### 3. OPERATING PROFIT/(LOSS)

The operating profit is stated after charging

	1997 £	1996 £
Depreciation of tangible fixed assets	-	2,023
Operating lease rentals - land and buildings	-	5,713
Auditors' remuneration	-	728
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# AIRFAST ENGINEERING SERVICES LIMITED

## NOTES TO THE ACCOUNTS (continued)

Year ended 31 October 1997

4.	STAFF COSTS	1997	1996
		£	£
	Staff costs were as follows:		
	Wages and salaries	-	33,709
	Social security costs	-	3,158
		<u>-</u>	<u>36,867</u>
	The average number of employees during the year was as follows:	1997	1996
		Number	Number
	Management (excluding directors)	-	1
	Administration	-	1
	Engineers	-	4
		<u>-</u>	<u>6</u>
5.	TAXATION		
	Corporation tax	-	(3,355)
6.	DEBTORS		
	Trade debtors	-	5,009
	Amounts due from group companies	-	35,672
	Corporation tax	-	1,457
	Other debtors	-	50
	Prepayments and accrued income	-	3,631
		<u>-</u>	<u>45,819</u>
7.	CREDITORS - amounts falling due within one year		
	Trade creditors	-	2,985
	Amounts due to group companies	20,300	60,624
	Tax and Social Security	52	-
	Corporation tax	62	3,355
	Accruals and deferred income	-	1,434
		<u>20,144</u>	<u>68,398</u>
8.	SHARE CAPITAL		
	Authorised		
	Ordinary shares of £1 each	1,000,000	1,000,000
	Allotted and fully paid		
	Ordinary shares of £1 each	1,000	1,000

# AIRFAST ENGINEERING SERVICES LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 31 October 1997

	1997 £	1996 £
9. PROFIT AND LOSS ACCOUNT		
At 1 November 1996	(21,326)	(22,201)
Profit for the year	-	875
At 31 October 1997	<u>(21,326)</u>	<u>(21,326)</u>
10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS		
Profit for the year	-	875
At 1 November 1996	<u>(20,326)</u>	<u>(21,201)</u>
At 31 October 1997	<u>(20,326)</u>	<u>(20,326)</u>
11. ULTIMATE PARENT COMPANY		

The company's parent undertaking and ultimate parent company, is Raymond R Bills Limited, for whom group accounts are prepared.