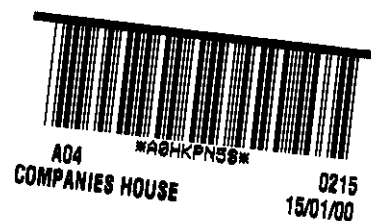


AIRSEA CONTAINERS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 1999



PANNELL KERR FORSTER
Chartered Accountants

AIRSEA CONTAINERS LIMITED

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**AUDITORS' REPORT TO
AIRSEA CONTAINERS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of the company for the year ended 31 July 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

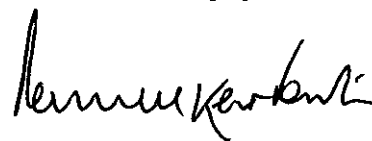
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar and whether the accounts are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

Liverpool
20 December 1999

AIRSEA CONTAINERS LIMITED
ABBREVIATED BALANCE SHEET
31 JULY 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible	2	308,395	318,984
Investments	3	4,852	4,852
		<u>313,247</u>	<u>323,836</u>
CURRENT ASSETS			
Stocks		468,581	389,500
Debtors		491,377	422,026
Cash at bank and in hand		300,675	48,624
		<u>1,260,633</u>	<u>860,150</u>
CREDITORS: amounts falling due within one year	4	(657,728)	(365,063)
NET CURRENT ASSETS		<u>602,905</u>	<u>495,087</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>916,152</u>	<u>818,923</u>
CREDITORS: amounts falling due after more than one year	4	(10,938)	(15,313)
PROVISIONS FOR LIABILITIES AND CHARGES		(9,930)	(8,381)
NET ASSETS		<u>895,284</u>	<u>795,229</u>
CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Profit and loss account		894,284	794,229
SHAREHOLDERS' FUNDS		<u>895,284</u>	<u>795,229</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the board on 20 December 1999

Signed on behalf of the board of directors



Donald Staniford Director

AIRSEA CONTAINERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1999

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold buildings	2 % reducing balance
Plant, machinery, fixtures and fittings	15 % reducing balance
Motor vehicles	25 % reducing balance
Tooling	25 % straight line
Computers	33 % straight line

(d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease on a straight line basis.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Investments

Investments are included at cost.

(f) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

AIRSEA CONTAINERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1999

1 ACCOUNTING POLICIES (Continued)

(g) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

(h) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

(i) Pensions

Pension costs represent contributions payable by the company. These contributions are invested in separate contracts for each employee. There are no contributions payable as at the year end.

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 August 1998	467,804
Additions	19,597
At 31 July 1999	487,401
Depreciation	
At 1 August 1998	148,820
Charge for year	30,186
At 31 July 1999	179,006
Net book amount	
At 31 July 1999	308,395
At 31 July 1998	318,984

The net book amounts of plant & machinery, fixtures & fittings above include £16,958 (1998 - £19,950) in respect of assets held under finance leases or hire purchase contracts.

AIRSEA CONTAINERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1999

3 FIXED ASSET INVESTMENTS

	£
Cost	
At 1 August 1998	4,852
	<hr/>
At 31 July 1999	4,852
	<hr/>

Investments include an investment in Airsea France SARL, a company incorporated in France, comprising a holding of 49% of its issued ordinary capital. The principal activity of Airsea France SARL is the supply of air transport containers to the oil and chemical industries. The year end of Airsea France SARL is 31st December 1998.

Airsea Containers Limited share in Airsea France SARL as at that date was follows:-

	£
Turnover	40,325
Loss for year	(886)
Current assets	16,025
Current liabilities	(11,870)
	<hr/> <hr/>

4 CREDITORS

Creditors amounting to **£15,313** (1998 - £19,688) are secured.

5 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No.	£
At 1 August 1998 and 31 July 1999			
Ordinary shares of £1 each	10,000	1,000	1,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>