



**PRICE BAILEY**  
Chartered Accountants

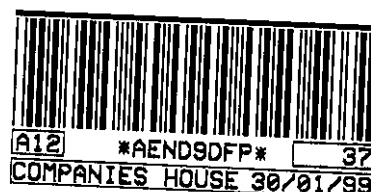
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**LONDON FLIGHT CENTRE (STANSTED) LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 1998**

**REGISTERED NUMBER: 01744955**



**Offices at:**

Bishop's Stortford Cambridge Chingford Ely Harlow Newmarket Norwich  
Saffron Walden

A member of The UK 200 Group, an association of independent practising Chartered Accountants

**LONDON FLIGHT CENTRE (STANSTED) LIMITED**

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**ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998**

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**AUDITORS' REPORT TO LONDON FLIGHT CENTRE (STANSTED) LIMITED**  
**UNDER SECTION 247B TO THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 3 to 6, together with the financial statements of the company for the year ended 31 March 1998 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

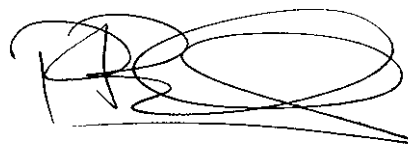
**Basis of opinion**

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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. 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 to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 3 to 6 are properly prepared in accordance with those provisions.

**CAUSEWAY HOUSE**  
**1 DANE STREET**  
**BISHOP'S STORTFORD**  
**HERTFORDSHIRE**



**PRICE BAILEY**  
**CHARTERED ACCOUNTANTS**  
**AND REGISTERED AUDITORS**  
**27 JANUARY 1999**

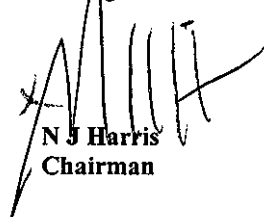
# LONDON FLIGHT CENTRE (STANSTED) LIMITED

## ABBREVIATED BALANCE SHEET AT 31 MARCH 1998

	Notes		1997
<b>FIXED ASSETS</b>			
Tangible fixed assets	2	385,810	521,549
<b>CURRENT ASSETS</b>			
Stocks		19,711	27,211
Debtors		29,742	31,790
Cash at bank and in hand		175	253
		<u>49,628</u>	<u>59,254</u>
<b>CREDITORS: amounts falling due within one year</b>		<u>195,450</u>	<u>184,631</u>
<b>NET CURRENT LIABILITIES</b>		145,822	125,377
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>239,988</u>	<u>396,172</u>
<b>CREDITORS: amounts falling due after more than one year</b>		75,761	113,214
<b>PROVISION FOR LIABILITIES AND CHARGES</b>		<u>-</u>	<u>6,210</u>
		75,761	119,424
		<u>£ 164,227</u>	<u>£ 276,748</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	100	100
Revaluation reserve		227,669	279,039
Profit and loss account		(63,542)	(2,391)
<b>EQUITY SHAREHOLDERS FUNDS</b>		<u>£ 164,227</u>	<u>£ 276,748</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The abbreviated financial statements on pages 3 to 6 were approved by the board of directors on X 27-1-98 and signed on its behalf by:

  
N J Harris  
Chairman

The notes on pages 4 to 6 form part of these financial statements.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

**1 ACCOUNTING POLICIES**

**Accounting convention and standards**

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities and under the historical cost convention, modified by the revaluation of certain fixed assets.

**Basis of preparing financial statements**

The company meets its day to day working capital requirements through an overdraft facility, which is repayable on demand, and through informal borrowing. The directors consider that these facilities will continue to be available to the company, both up to and beyond the forthcoming annual review of bank facilities, and will be sufficient for the company's needs. Accordingly, the financial statements have been prepared on a going concern basis and do not include any adjustments that would result from a withdrawal of facilities.

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities.

**Aircraft valuation**

Aircraft are carried at market valuation less accumulated depreciation and impairment provisions.

Diminutions in valuation are taken to the revaluation reserve to the extent that it is available, unless they are considered to be permanent, when they are taken to the profit and loss account.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Aircraft	5% per annum straight line
Plant and machinery	15% per annum on the reducing balance
Motor vehicles	25% per annum on the reducing balance
Fixtures and fittings	15% per annum on the reducing balance
Aircraft equipment	15% per annum on the reducing balance
Small tools	20% per annum on the reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

**Intangible assets**

The company has sustained costs in obtaining and upkeeping licences, operating certificates and approvals, which have been charged to the profit and loss account in the year in which incurred. Costs comprise application fees, operations manuals, training and supporting documentation. At 31 March 1998 the directors consider the value of licences, operating certificates and approvals to be £196,200 (1997 £196,200).

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating agreements are charged to income as incurred.

## **LONDON FLIGHT CENTRE (STANSTED) LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998**

#### **ACCOUNTING POLICIES (CONTINUED)**

##### **Stocks**

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

##### **Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

##### **Foreign currencies**

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

##### **Defined contribution pension scheme**

Contributions to a money purchase scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

##### **Maintenance costs and consumable stores**

Maintenance costs are charged to the profit and loss account as incurred and the stock of consumable stores (note 6) are valued at cost.

## **2 FIXED ASSETS**

	<b>Tangible assets</b>
<b>Cost or valuation</b>	
1 April 1997	588,896
Additions	60,000
Disposals	(185,259)
Surplus on revaluation	(62,000)
31 March 1998	<u>£ 401,637</u>
<b>Depreciation</b>	
1 April 1997	67,347
Adjustment on revaluation	(24,500)
Charge for year	26,166
Disposals	(53,186)
31 March 1998	<u>£ 15,827</u>
<b>Net book value</b>	
31 March 1998	<u>£ 385,810</u>
31 March 1997	<u>£ 521,549</u>

## **LONDON FLIGHT CENTRE (STANSTED) LIMITED**

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### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998**

#### **3 SECURED LIABILITIES**

Included in creditors is a bank overdraft and loan of £50,376 (1997 £78,354). The bank overdraft is guaranteed by a fixed charge over a Piper Chiftain Aircraft, number G-HVRD and the bank loan is secured by a cross guarantee by Stansted Aviation Centre Limited.

The company has liabilities under finance leases and hire purchase agreements of £31,263 (1997 £56,283) which are secured against specific assets of the company included in note 2.

#### **4 CALLED UP SHARE CAPITAL**

	Number of shares	£	Number of shares	1997 £
<b>Authorised share capital</b>				
Ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Allotted called up and fully paid</b>				
Ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### **5 ULTIMATE HOLDING COMPANY**

The ultimate holding company is Stansted Aviation Centre Limited, incorporation in Great Britain.