

2336358

PENNY & GILES AEROSPACE LIMITED

(formerly Penny & Giles Data Recorders Limited)

Report and Accounts

31 December 1996



PENNY & GILES AEROSPACE LIMITED
(formerly Penny & Giles Data Recorders Limited)

DIRECTORS:	Mr I Biscoe Mr S Boulton Mr R B Potter Mr K M Rayment Mr T Rice Mr M F Richardson Mr D Sinclair Mr R Strugnell
SECRETARY:	Mr M Arnaouti
REGISTERED OFFICE:	Gatwick Road Crawley West Sussex RH10 2RZ
REGISTERED NUMBER:	2336358

PENNY & GILES AEROSPACE LIMITED
(formerly Penny & Giles Data Recorders Limited)

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report and accounts for the year ended 31 December 1996.

RESULTS AND DIVIDENDS

The Company did not trade during the year other than as an agency for Penny & Giles International plc and there was no income or expenditure. There have consequently been no changes in the Company's financial position and no Profit and Loss Account has been prepared.

With effect from 1 January 1996 the existing agency agreement with Penny & Giles International plc was cancelled and the business then carried on by the Company was merged with that of Penny & Giles Avionic Systems Limited. The Company changed its name to Penny & Giles Aerospace Limited and a new agency agreement was then signed with Penny & Giles International plc.

DIRECTORS

The Directors of the Company who served during the year were as follows:

Mr I Biscoe (appointed 1 April 1996)
Mr S M Boulton (appointed 1 April 1996)
Mr A F Bond (resigned 1 April 1996)
Mr R A Freeland (resigned 31 December 1996)
Mr R B Potter
Mr T J Rice (appointed 1 April 1996)
Mr D Sinclair (appointed 1 April 1996)
Mr M F Richardson
Mr M P R Thomas (resigned 1 April 1996)

Since the year end the following changes have taken place:

Mr R Strugnell (appointed 1 January 1997)
Mr K M Rayment (appointed 1 July 1997)

DIRECTORS' INTERESTS

The interests of the Directors who served during the year were as follows:

No Director had any interest in the shares of the Company during the year.

Mr R A Freeland is a Director of the Company's parent company, Penny & Giles International plc, and his notifiable interests are set out in the report and accounts of that company.

The notifiable interests of the other Directors, according to the statutory register maintained under Section 325 Companies Act 1985, are set out below:

	<u>Ordinary shares of 10p each</u>		<u>BOWTHORPE plc</u> <u>Options over Ordinary shares of 10p each *</u>			
	1 January 1996x	31 December 1996‡	1 January 1996x	Granted in year	Exercised in year	31 December 1996‡
Mr I Biscoe	-	-	-	-	-	-
Mr A F Bond	1,059	1,059	-	-	-	-
Mr S M Boulton	-	-	10,787	5,790	-	16,577
Mr R B Potter	1,018	1,040	30,129	20,187	-	50,316
Mr T J Rice	-	-	-	-	-	-
Mr M F Richardson	-	-	-	10,291	-	10,291
Mr D Sinclair	-	-	-	-	-	-
Mr M P R Thomas	3,794	3,794	6,168	-	-	6,168

* includes options held under the Bowthorpe Savings Related Share Option Scheme and the Bowthorpe Executive Share Option Scheme.

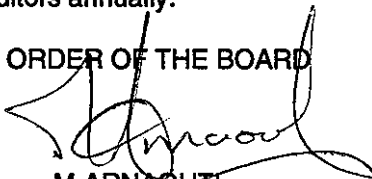
x at date of appointment, if later

‡ at date of resignation, if earlier

AUDITORS

The Company's auditors, Ernst & Young, continue in office pursuant to an Elective Resolution passed on 8 November 1993 (as permitted under the Companies Act 1985) allowing the Company to dispense with the re-appointment of auditors annually.

BY ORDER OF THE BOARD



M ARNAOUTI
SECRETARY

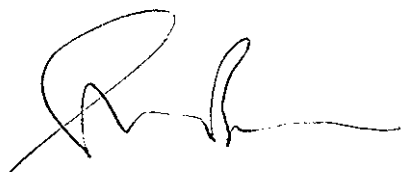
Gatwick Road
Crawley
West Sussex RH10 2RZ

Dated: 21.10.97.....

PENNY & GILES AEROSPACE LIMITED
(formerly Penny & Giles Data Recorders Limited)
BALANCE SHEET
AT 31 DECEMBER 1996

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	<u>NOTE</u>	<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
Fixed Assets			
Investments	2	<u>10,000</u>	<u>10,000</u>
Capital and Reserves			
Called up share capital	3	<u>10,000</u>	<u>10,000</u>



S M Boulton

Director

Date 21.10.97

The notes on page 5 form part of these accounts

1 Accounting Policies

Basis of accounting

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

2 Investments

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Loan to parent company	<u>10,000</u>	<u>10,000</u>

3 Share capital

Ordinary shares of £1 each:

Authorised, called up and fully paid, 10,000 shares	<u>10,000</u>	<u>10,000</u>
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4 Profit and loss account

The company has traded during the year only as an agent for Penny & Giles International plc. It has not traded on its own account and accordingly has made neither a profit nor a loss.

5 Directors' emoluments and auditor's remuneration

There are no charges for directors' emoluments or auditor's remuneration in these accounts as those expenses are borne by the company's immediate parent company Penny & Giles International plc.

6 Ultimate Holding Company

The parent company of both the smallest and largest group of undertakings for which group accounts are drawn up, and of which the Company is a member, is Bowthorpe plc registered in England and Wales. Bowthorpe plc is the company's parent company and copies of its accounts can be obtained by writing to Bowthorpe plc, Gatwick Road, Crawley, West Sussex, RH10 2RZ.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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The Companies Act 1985 ('the Act') requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that financial 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 accounting standards which they consider to be applicable have been followed, subject to any explanations and material departures being disclosed in the notes to the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that in preparing the accounts for the financial year ended 31 December 1996, as set out on pages 4 and 5, the Company has complied with the above requirements.

The directors are responsible for ensuring that the Company keeps 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 Act. The directors also have general responsibility for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS

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TO THE MEMBERS OF PENNY & GILES AEROSPACE LIMITED **(formerly Penny & Giles Data Recorders Limited)**

We have audited the accounts on pages 4 and 5, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 6 the Company's directors are responsible for the preparation of the accounts. It is our responsibility 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 directors in the preparation of the accounts, 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 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 affairs of the Company as at 31 December 1996 and have been properly prepared in accordance with the Companies Act 1985.



ERNST & YOUNG
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON

Date *21 October 1997*

Becket House
1 Lambeth Palace Road
LONDON
SE1 7EU