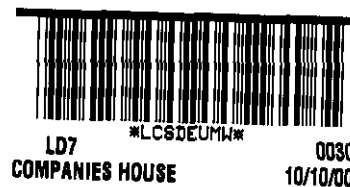


REDHILL AERODROME VENTURES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1999

Registered No. 02634192

Critchleys
Chartered Accountants
Oxford



MACFARLANES
10, NORWICH ST.
LONDON EC4A 1BN

REDHILL AERODROME VENTURES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1999


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Respective responsibilities of directors and auditors

Basis of opinion

Opinion

Oxford


Critchleys
Chartered Accountants
Registered Auditors

REDHILL AERODROME VENTURES LIMITED


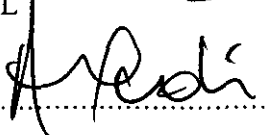
ABBREVIATED BALANCE SHEET

AT 31 DECEMBER 1999

	Note	1999 £	1998 £
FIXED ASSETS			
Investments	2	5,603,323	5,603,323
CURRENT ASSETS			
Debtors due within one year		4,837	198,972
Debtors due after one year		717,799	591,107
Cash at bank and in hand		880,220	397,066
		<u>1,602,856</u>	<u>1,187,145</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		<u>(1,583,278)</u>	<u>(1,250,385)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>19,578</u>	<u>(63,240)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,622,901</u>	<u>5,540,083</u>
CAPITAL AND RESERVES			
Called up share capital	3	5,750,000	5,750,000
Profit and loss account - (deficit)		(127,099)	(209,917)
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>5,622,901</u>	<u>5,540,083</u>

Advantage has been taken in the preparation of these accounts of the special exemptions applicable to small companies under Part VII of Schedule 8 to the Companies Act 1985. In the opinion of the directors, the company is entitled to these exemptions on the grounds that it has met the qualifications for a small company specified in sections 246 and 247 of the Companies Act 1985.

These financial statements were approved by the Board of Directors on 27 September 2000 and signed on its behalf.

)	
A A C GODSAL)	
)	
A H SCOTT)	DIRECTORS

REDHILL AERODROME VENTURES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 1999**

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

Group accounts

The company has taken advantage of the exemption granted under Section 248 of the Companies Act 1985 not to prepare group accounts for statutory filing purposes, as, in the directors opinion, the group qualifies as a small group. Accordingly these financial statements present information about the company as an individual undertaking and not about its group.

2 INVESTMENTS HELD AS FIXED ASSETS

On 31 July 1991, the company acquired 100% of the issued £1 ordinary share capital of Redhill Aerodrome Limited, a company registered in England and Wales.

On 17 January 1995, the company acquired 100% of the issued £1 ordinary share capital of Redhill Aerodrome Properties Limited, a company registered in England and Wales

	1999 £	1998 £
Purchase consideration and related acquisition expenses	5,603,323	5,603,323

Further details on the subsidiary companies are shown in note 4.

3 CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised:		
5,750,000 ordinary shares of £1 each	5,750,000	5,750,000
Allotted and fully paid:		
5,750,000 ordinary shares of £1 each	5,750,000	5,750,000

REDHILL AERODROME VENTURES LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 1999****4 ADDITIONAL INFORMATION ON SUBSIDIARIES**

Redhill Aerodrome Limited is a wholly owned subsidiary of Redhill Aerodrome Ventures Limited.

The aggregate of the share capital and reserves of Redhill Aerodrome Limited at 31 December 1999 was £4,042,248 (1998 £4,115,154). The subsidiary company's loss for the year ended 31 December 1999 amounted to £72,906 (1998 loss £21,363).

Redhill Aerodrome Properties Limited is a wholly owned subsidiary of Redhill Aerodrome Ventures Limited. The subsidiary company's profit for the year ended 31 December 1999 amounted to £281,602 (1998: £287,850). The aggregate share of capital and reserves at 31 December 1999 was £1,318,147 (1998: £1,036,545).

Redhill Flying Club Limited is a wholly owned subsidiary of Redhill Aerodrome Limited and is registered in England and Wales. The company did not trade during the year. The aggregate of its share capital and reserves as at 31 December 1998 and 31 December 1999 was £2,252.