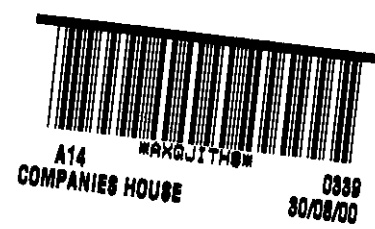


THE ASSOCIATION OF BALLOON OPERATORS LIMITED
(Limited by Guarantee)

(Company Number 2814627)

ACCOUNTS

31ST OCTOBER, 1999



DIRECTORS

M.L. Gabb

A. Street

A. Rawson

(appointed 18.11.98)

SECRETARY

M.L. Gabb

REGISTERED OFFICE

Cross Lanes Farm

Walcote

Nr. Alcester

Warwickshire

B49 6NA

REPORT OF THE DIRECTORS

31ST OCTOBER, 1999

The Directors submit their Report, together with the Accounts for the year ended 31st October, 1999.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company throughout the year was the representation and promotion of professional ballooning activities.

The state of affairs of the Company is considered by the Directors to be satisfactory.

RESULTS

The results for the year are shown in the attached Profit and Loss Account. No dividend is recommended in respect of the year.

MEMBERS

There were 80 members at 31st October, 1999.

DIRECTORS

The names of the Directors who served during the year are shown on page 1.

In accordance with the Articles of Association, all Directors in office at 4th November 1999, the date of the Annual General Meeting, being eligible offered themselves for re-election and were duly re-elected.

YEAR 2000

The Directors acknowledge their responsibility for taking steps to safeguard the business and it follows that they have a duty to implement procedures to enquire into the impact of the Year 2000 and the potential for Year 2000 failure and to require management to implement such corrective action as may be necessary.



On behalf of the Board

M.L. GABB
Director and Secretary

BALANCE SHEET

31ST OCTOBER, 1999

	<u>Notes</u>	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
CURRENT ASSETS			
Building Society		7,044	5,671
CREDITORS: Amounts falling due within one year	2	292	1,814
NET CURRENT ASSETS		6,752	3,857
TOTAL ASSETS LESS CURRENT LIABILITIES		6,752	3,857
Represented by:			
Share Capital	5	-	-
Profit and Loss Account		6,752	3,857
		6,752	3,857

We confirm that:

- i) the company was entitled for the year ended 31st October, 1999 to audit exemption under S249A(1) of the Companies Act 1985
- ii) no notice has been deposited under S249B(2) of the Companies Act 1985 requiring an audit of the accounts for the year.

We acknowledge our responsibilities for:

- i) ensuring that the company keeps accounting records which comply with S221 of the Companies Act 1985
- ii) preparing Accounts which give a true and fair view of the state of the Company's affairs at the end of the year and its results for the period in accordance with S226 of the Companies Act 1985 and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts, so far as applicable to the Company.

M.L. Gabb

A. Street



PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST OCTOBER, 1999

	<u>Notes</u>	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
TURNOVER	1	6,750	4,540
Administrative Expenses		4,011	7,896
		2,739	(3,356)
Other Interest Receivable and Similar Income	3	198	349
PROFIT(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		2,937	(3,007)
Tax on Profit on Ordinary Activities	6	42	73
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAX		2,895	(3,080)
Balance Brought Forward		3,857	6,937
Balance Carried Forward		6,752	3,857
CONTINUING OPERATIONS			
None of the Company's activities were acquired or discontinued during the above two financial years.			
TOTAL RECOGNISED GAINS AND LOSSES			
The Company has no recognised gains or losses other than the profit or loss for the above years.			

NOTES TO THE ACCOUNTS

31ST OCTOBER, 1999

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Accounts have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985 and applicable accounting standards.

(b) Cash Flow Statement

The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

(c) Post Balance Sheet Events

Events relating to the year ended 31st October, 1999 which occurred before 18th January, 2000 the date of approval of the Accounts by the Board of Directors have been included in the Accounts to the extent required by Statement of Standard Accounting Practice No. 17.

(d) Turnover

Turnover represents subscription income receivable from Association members during the year.

2. CREDITORS: Amounts falling due within one year

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Other Creditors	-	1,411
Accruals	250	350
Corporation Tax	42	53
	<u>292</u>	<u>1,814</u>

3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Interest Received:
Building Society Interest

<u>1999</u>	<u>1998</u>
<u>£</u>	<u>£</u>
198	349

4. EMPLOYEES

The Company has no employees other than the three Directors.

5. SHARE CAPITAL

The Company has no Share Capital and is limited by Guarantee. All members of the Company undertake to contribute to the Company's assets if it should be wound up while they are existing members or within one year after they cease to be a member, for payment of the company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount being required but not exceeding £1.

6. TAXATION

The Taxation charge is based on interest received in the year.

Corporation Tax at 20/21% (1998 - 21%)

<u>1999</u>	<u>1998</u>
<u>£</u>	<u>£</u>
42	73