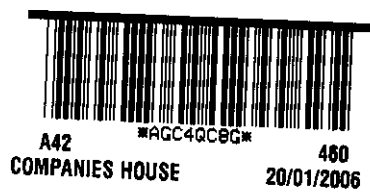


AMELIORATION ASSOCIATES LIMITED

ACCOUNTS

FOR THE PERIOD ENDING

31 MAY 2005



Amelioration Associates Limited
Directors' Report
31 May 2004

The Directors' submit their Report and Accounts for the period ended 31 May 2005.

Principal Activity

The principal activity of the company relates to that of a helicopter operation together with a trade in spare parts.

Directors

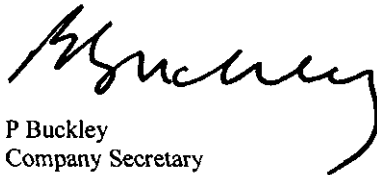
The directors who have served during the period together with their interests are as follows:

	At 31.05.05	At 31.05.04
R Allard	73	73
R Bryant	17	17
P Buckley	4	4
P Ovenden	6	6

Auditors

Auditors have not been appointed, as the turnover and asset value of the Company are lower than the minimum levels required.

By order of the Board



P Buckley
Company Secretary

Amelioration Associates Limited
Profit and Loss Account
For the period ending 31 May 2005

	Note	2005 £	2005 £	2004 £	2004 £
Sales	1		-		-
Interest Receivable			-		-
			-----		-----
Gross Profit			-		-
Purchases		-		-	
Stock		-		-	
		-----		-----	
Cost of Sales			-		-
			-----		-----
Gross Profit			-		-
Rent		18,000		18,000	
Insurance		-		-	
Travel		-		-	
General Sales Agents Costs		-		-	
Professional Fees		-		-	
Legal Fees		-		-	
HIAB Costs		-		-	
Bank Charges and Interest		494		-	
Miscellaneous Expenses		30		30	
		-----	18,524	-----	18,030
			-----		-----
Net Loss			(18,524)		(18,030)
			=====		=====


Amelioration Associates Limited
Balance Sheet
31 May 2005

	Note	2005 £	2004 £
Current Assets			
Cash at Bank		-	-
Stock	1	552,600	552,600
Loan	4	41,750	41,750
		<u>594,350</u>	<u>594,350</u>
Current Liabilities			
Shareholders Loans	5	(737,060)	(752,075)
Bank Overdraft		(3,494)	-
Other Creditors		(64,919)	(34,874)
		<u>(805,473)</u>	<u>(786,949)</u>
Net Current Liabilities		<u>(211,123)</u>	<u>(192,599)</u>
Represented by			
Share Capital	6	100	100
Revenue Reserve	7	(211,223)	(192,699)
		<u>(211,123)</u>	<u>(174,569)</u>

The accounts for the period ending 31 May 2005 have not been audited as the Company was entitled to the exemption under sub-section (1) of Section 249A of the Companies Act 1985 and no notice from members requiring an audit, has been deposited under Section 249B(2) of the Companies Act 1985.

The directors' acknowledge their responsibility for ensuring that the Company keeps accounting records that comply with Section 221 and preparing accounts that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of the Companies Acts relating to accounts, so far as applicable to the Company.

In preparing these accounts the directors have relied upon the exemptions of individual accounts provided by Section 246 as the Company is entitled so to do.


Roger Allard
Director

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in the Company's accounts.

Turnover

Turnover represents income received exclusive of Value-Added Tax and all derives from activities in the United Kingdom.

Stock

Stock is valued at the lower of cost or net realisable value.

2. Taxation

There is no taxation payable as losses were incurred during the year.

3. Dividend

The directors' do not recommend the payment of a dividend.

4. Loan

The loan is repayable on demand.

5. Shareholders Loans

The loans made by the shareholders are to provide short term financing. They will be repaid as and when the directors' believe that the company has sufficient working capital to support the business. Interest is payable on the loans when the directors' believe that the company is able to support such payment. No interest has been provided in these accounts.

6. Share Capital

The Share Capital of the company consists of Ordinary Shares of £1.00 each as follows:

	2005 £	2004 £
Authorised	<u>1,000</u>	<u>1,000</u>
Issued and fully paid	<u>100</u>	<u>100</u>

6. Revenue Reserve

At 1 June 2004	(192,699)
Retained loss for the period	(18,524)

At 31 May 2005	<u>(211,223)</u>