

Camargue Leasing Limited

**Directors' report and financial
statements**

Registered number 4597180

Year ended 31 December 2005



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

Principal activities

The Company's only activity is the leasing in and sub-leasing out of one aircraft.

Dividends

The directors do not recommend the payment of a dividend (2004: £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

J Taylor
J C D Balaam
R F H Noble
W A Fraser

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.


Political and charitable contributions

The Company made no political contributions or donations to UK charities during the year (2004: £nil).

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that KPMG LLP be appointed as auditors of the Company will be proposed at the Annual General Meeting.

By order of the board



J Taylor
Director

Aquis Court
31 Fishpool Street
St Albans
Herts
AL3 4RF

22/05/2006

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Aquis Court
31 Fishpool Street
St Albans
AL3 4RF
United Kingdom

Independent auditors' report to the members of Camargue Leasing Limited

We have audited the financial statements of Camargue Leasing Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Independent auditors' report to the members of Camargue Leasing Limited
(continued)

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

27 JULY 2006

Profit and loss account
for the year ended 31 December 2005

	<i>Note</i>	2005 £000	2004 £000
Turnover	<i>1</i>	6,216	5,592
Cost of sales		(6,101)	(5,490)
Gross profit		115	102
Administrative expenses		(104)	(93)
Operating profit		11	9
Profit on ordinary activities before taxation	<i>2</i>	11	9
Tax on profit on ordinary activities	<i>4</i>	-	-
Retained profit for the financial year		11	9

All activities for this year relate to continuing operations.


There were no recognised gains and losses other than the profit for the financial periods shown above.

There is no difference between the historical cost profit and loss and that presented above.

Balance sheet
 at 31 December 2005

	<i>Note</i>	2005 £000	2004 £000
Current assets			
Debtors	5	56	36
Cash at bank and in hand		25	15
		<hr/>	<hr/>
Creditors: amounts falling due within one year	6	81 (52)	51 (33)
		<hr/>	<hr/>
Net assets		29	18
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account		29	18
		<hr/>	<hr/>
Equity shareholders' funds	9	29	18
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 22/05/06 and were signed on its behalf by:


J Taylor
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- FRS 28 'Corresponding amounts'.

These new standards have had no effect on accounting policies of the company as they impose similar requirements as hitherto required by the Companies Act 1985.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or rate of exchange ruling at the balance sheet date and gains or losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover consists of lease premiums for the rental of an aircraft to a third party which is the company's principal activity. All turnover is derived from invoices to companies in the Far East. Turnover is recognised when earned. Cost of sales represents the premiums paid in leasing the aircraft. Turnover is net of Value Added Tax.

Leases

Rentals paid under operating leases are charged against income on a straight line basis over the term of the lease.

Notes (continued)

2 Profit on ordinary activities before taxation

	2005 £000	2004 £000
Operating profit is after charging the following:		
Auditors' remuneration:		
- Audit fee	3	3
- Other services – fees receivable by the auditors and their associates	4	2
Operating lease rental for plant and machinery	6,101	5,490
	<u>6,108</u>	<u>5,495</u>

3 Remuneration of directors

No directors of the company received any emoluments during the year for their services to the company (2004: £Nil).

There were no employees of the company, other than the directors, during the current or preceding year.

4 Taxation

	2005 £000	2004 £000
Analysis of charge in year		
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
	<u>-</u>	<u>-</u>
Total current tax and tax on profit on ordinary activities	-	-
	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2004: lower) than standard rate of corporation tax in the UK (2004: 19%). The differences are explained below:

	2005 £000	2004 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	11	9
	<u>11</u>	<u>9</u>
Current tax at 19% (2004: 19%)	2	3
	<u>2</u>	<u>3</u>
<i>Effects of:</i>		
Reduction in tax payable due to starting rate being applied	(2)	(3)
	<u>(2)</u>	<u>(3)</u>
Total current tax charge (see above)	-	-
	<u>-</u>	<u>-</u>

Camargue Leasing are eligible for starting rate relief on the first £10,000 of its profits chargeable to corporation tax.

Notes (continued)

5 Debtors

	2005 £000	2004 £000
Trade debtors	53	33
Other debtors	3	3
	<u>56</u>	<u>36</u>

6 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Trade creditors	52	33
	<u>52</u>	<u>33</u>

7 Commitments

At 31 December 2005 the company had annual commitments for the aircraft under operating leases as follows:

	2005 £000	2004 £000
Operating leases which expire:		
Between two and five years	6,199	5,900
	<u>6,199</u>	<u>5,900</u>

8 Called up share capital

	2005 £	2004 £
<i>Authorised</i>		
Equity: 1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted and called up</i>		
Equity: 2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

Notes (continued)

9 Reconciliation of movements in shareholders' funds

	2005 £000	2004 £000
Opening shareholder's funds	18	9
Profit for the financial year	11	9
	<hr/>	<hr/>
Closing shareholder's funds	29	18
	<hr/>	<hr/>

10 Related party disclosures

The management of the company's leases is provided by Skytech-AIC, which is a joint venture between Skytech Aviation Services Limited and Aviation Investment Consultants Limited. The directors of these companies, R F H Noble, W A Fraser, J Taylor and J C D Balaam are also directors of Camargue Leasing Limited. An amount of £96,109 (2004: £89,998) was paid to Skytech-AIC during the year for these services, of which £nil (2004: £466) was outstanding at the end of the year, in respect of these services.

11 Ultimate holding company

The company is wholly owned by Maples Finance Limited, a licensed trust company incorporated in the Cayman Islands. The accounts of this company are not available to the public.