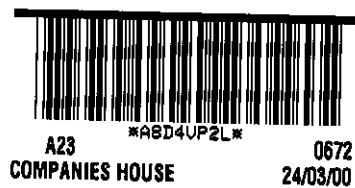


Abbreviated Financial Statements  
for the Year Ended 31 October 1999  
for  
Alphine Aero Limited



**Alphine Aero Limited**

**Contents of the Abbreviated Financial Statements**  
**for the Year Ended 31 October 1999**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Auditors on the Abbreviated Financial Statements</b>	<b>2</b>
<b>Abbreviated Balance Sheet</b>	<b>3</b>
<b>Notes to the Abbreviated Financial Statements</b>	<b>4</b>

**Alphine Aero Limited**  
**Company Information**  
**for the Year Ended 31 October 1999**

<b>DIRECTORS:</b>	P J Watts S A Watts
<b>SECRETARY:</b>	S A Watts
<b>REGISTERED OFFICE:</b>	Building 100 Beverley Road East Midlands Airport Derby DE74 2SA
<b>REGISTERED NUMBER:</b>	2867634 (England and Wales)
<b>AUDITORS:</b>	Bates Weston Chartered Accountants Registered Auditors The Mills Canal Street Derby DE1 2RJ
<b>BANKERS:</b>	Midland Bank PLC St Peters Street Derby DE1 2AE

**Alphine Aero Limited**

**Report of the Auditors to**  
**Alphine Aero Limited**

**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 October 1999 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.

Bates Weston  
Chartered Accountants  
Registered Auditors  
The Mills  
Canal Street  
Derby  
DE1 2RJ

A handwritten signature in black ink, appearing to read 'Bates Weston', followed by a horizontal line.

Dated: 6 March 2000

**Alphine Aero Limited**

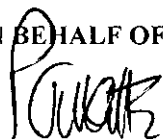
**Abbreviated Balance Sheet**

**31 October 1999**

		1999		1998	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		6,583		8,444
<b>CURRENT ASSETS:</b>					
Stocks		319,104		102,657	
Debtors		180,347		231,190	
Cash at bank		31,608		48,811	
		531,059		382,658	
<b>CREDITORS: Amounts falling due within one year</b>	3	443,823		307,288	
<b>NET CURRENT ASSETS:</b>			87,236		75,370
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			£93,819		£83,814
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	4		100		100
Profit and loss account			93,719		83,714
Shareholders' funds			£93,819		£83,814

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



P J Watts - DIRECTOR

Approved by the Board on 6 March 2000

The notes form part of these financial statements

**Alphine Aero Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 October 1999**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 15% on reducing balance
Computer equipment	- 33% on cost

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

**2. TANGIBLE FIXED ASSETS**

	Total
	£
<b>COST:</b>	
At 1 November 1998	13,979
Additions	1,292
	<hr/>
At 31 October 1999	15,271
	<hr/>
<b>DEPRECIATION:</b>	
At 1 November 1998	5,535
Charge for year	3,153
	<hr/>
At 31 October 1999	8,688
	<hr/>
<b>NET BOOK VALUE:</b>	
At 31 October 1999	6,583
	<hr/>
At 31 October 1998	8,444
	<hr/>

**Alphine Aero Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 31 October 1999**

**3. CREDITORS**

The following secured debts are included within creditors:

	1999	1998
	£	£
Bank overdrafts	84,090	-
Bank loans	45,000	-
	<u>129,090</u>	<u>-</u>

**4. CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	1999	1998
		£1	£	£
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1999	1998
		£1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

**5. TRANSACTIONS WITH DIRECTORS**

During the year the directors' current account had a maximum overdrawn balance of £45,374.

Interest of £4,156 was paid to the Alphine Aero Retirement Fund during the year in respect of loans advanced to the company.