

**Wesco Aircraft United Kingdom
Limited**

**Directors' Report and Financial Statements
For The Year Ended 31 January 2002**



WESCO AIRCRAFT UNITED KINGDOM LIMITED

COMPANY INFORMATION

Directors

M Beck
R Snyder
G Hess

Secretary

G Hess

Company number

1857310

Registered office

Park Mill Way
Clayton West
Huddersfield
HD8 9XJ

Auditors

Garbutt & Elliott Limited
Monkgate House
44 Monkgate
York
YO31 7HF

Bankers

Lloyds TSB plc
Commercial Street
Halifax
HX1 1BB

Solicitors

Rollits
Rowntree Wharf
Navigation Road
York
YO1 9WE

WESCO AIRCRAFT UNITED KINGDOM LIMITED

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WESCO AIRCRAFT UNITED KINGDOM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2002

The directors present their report and financial statements for the year ended 31 January 2002.

Principal activities and review of the business

The principal activity of the company is that of the supply of parts to the aircraft industry.

The directors are satisfied with the results for the year and are confident about future prospects.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £983,431 is transferred to the reserves.

Directors

The following directors have held office since 1 February 2001:

M Beck
R Snyder
G Hess

Directors' interests

As the directors are also directors of Flintbrook Limited, this company's parent company their interests are not required to be recorded in this company's register of directors interests.

Charitable contributions

During the year the company made charitable donations of £3,201 (2001 - £2,881).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Garbutt & Elliott Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2002

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



M Beck

Director

09/08/02.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WESCO AIRCRAFT UNITED KINGDOM LIMITED

We have audited the financial statements of Wesco Aircraft United Kingdom Limited on pages 4 to 19 for the year ended 31 January 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the 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 United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 transactions with the company 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.

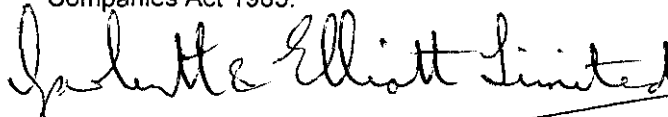
Basis of audit opinion

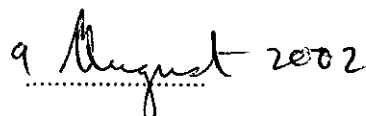
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Garbutt & Elliott Limited
Chartered Accountants
Registered Auditors


9 August 2002
Monkgate House
44 Monkgate
York
YO31 7HF

WESCO AIRCRAFT UNITED KINGDOM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2002

	Notes	2002 £	2001 £
Turnover	2	12,679,884	9,030,733
Cost of sales		(8,332,427)	(6,078,229)
Gross profit		<u>4,347,457</u>	<u>2,952,504</u>
Administrative expenses		(2,888,853)	(2,247,654)
Operating profit	3	<u>1,458,604</u>	<u>704,850</u>
Parent company debt written off		-	(74,457)
Profit on ordinary activities before interest		<u>1,458,604</u>	<u>630,393</u>
Other interest receivable and similar income		5,889	8,920
Interest payable and similar charges	4	(33,574)	(36,755)
Profit on ordinary activities before taxation		<u>1,430,919</u>	<u>602,558</u>
Tax on profit on ordinary activities	5	(447,488)	(217,032)
Profit on ordinary activities after taxation	15	<u><u>983,431</u></u>	<u><u>385,526</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

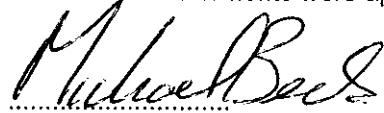
There are no recognised gains and losses other than those passing through the profit and loss account.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

BALANCE SHEET AS AT 31 JANUARY 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	6		828,380		704,837
Investments	7		100		100
			<u>828,480</u>		<u>704,937</u>
Current assets					
Stocks	8	5,385,743		3,495,768	
Debtors	9	2,284,683		2,035,782	
Cash at bank and in hand		127,171		309,801	
		<u>7,797,597</u>		<u>5,841,351</u>	
Creditors: amounts falling due within one year	10	(3,844,066)		(2,672,243)	
Net current assets			<u>3,953,531</u>		<u>3,169,108</u>
Total assets less current liabilities			<u>4,782,011</u>		<u>3,874,045</u>
Creditors: amounts falling due after more than one year	11		(2,569,626)		(2,616,306)
Provisions for liabilities and charges	12		(7,000)		(35,785)
			<u>2,205,385</u>		<u>1,221,954</u>
Capital and reserves					
Called up share capital	14		10,000		10,000
Profit and loss account	15		2,195,385		1,211,954
Shareholders' funds - equity interests	16		<u>2,205,385</u>		<u>1,221,954</u>

The financial statements were approved by the Board on 09/08/02.



M Beck
Director

WESCO AIRCRAFT UNITED KINGDOM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2002

	2002 £	2001 £
Net cash inflow/(outflow) from operating activities	115,653	(1,074,977)
Returns on investments and servicing of finance		
Interest received	5,889	8,920
Interest paid	(33,574)	(36,755)
Net cash outflow for returns on investments and servicing of finance	(27,685)	(27,835)
Taxation	(216,273)	(140,695)
Capital expenditure		
Payments to acquire tangible assets	(328,381)	(510,720)
Receipts from sales of tangible assets	16,623	26,500
Net cash outflow for capital expenditure	(311,758)	(484,220)
Net cash outflow before management of liquid resources and financing	(440,063)	(1,727,727)
Financing		
Other new long term loans	-	2,525,689
Repayment of other long term loans	(6,545)	(11,885)
Capital element of hire purchase contracts	(101,023)	(92,161)
Net cash (outflow)/inflow from financing	(107,568)	2,421,643
(Decrease)/increase in cash in the year	(547,631)	693,916

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2002

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2002	2001
		£	£
	Operating profit	1,458,604	704,850
	Depreciation of tangible assets	241,108	146,499
	Loss on disposal of tangible assets	1,944	93,235
	Increase in stocks	(1,889,975)	(442,926)
	(Increase)/decrease in debtors	(248,901)	47,514
	Increase/(decrease) in creditors within one year	552,873	(1,549,692)
	Parent company debt written off	-	(74,457)
	Net cash inflow/(outflow) from operating activities	115,653	(1,074,977)

2	Analysis of net debt	1 February 2001	Cash flow	Other non-cash changes	31 January 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	309,801	(182,630)	-	127,171
	Bank overdrafts	(126,622)	(365,001)	-	(491,623)
		183,179	(547,631)	-	(364,452)
	Debt:				
	Hire purchase contracts	(168,654)	101,023	(54,837)	(122,468)
	Debts falling due within one year	(6,545)	6,545	-	-
	Debts falling due after one year	(2,525,689)	-	-	(2,525,689)
		(2,700,888)	107,568	(54,837)	(2,648,157)
	Net debt	(2,517,709)	(440,063)	(54,837)	(3,012,609)

3	Reconciliation of net cash flow to movement in net debt	2002	2001
		£	£
	(Decrease)/increase in cash in the year	(547,631)	693,816
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	107,568	(2,421,643)
	Change in net debt resulting from cash flows	(440,063)	(1,727,827)
	New hire purchase contracts	(54,837)	(159,373)
	Movement in net debt in the year	(494,900)	(1,887,200)
	Opening net debt	(2,517,709)	(630,509)
	Closing net debt	(3,012,609)	(2,517,709)

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE CASH FLOW STATEMENT (CONTINUED) **FOR THE YEAR ENDED 31 JANUARY 2002**

4 Major non-cash transactions

During the year the company entered into hire purchase contracts in respect of assets with a total capital value at the inception of the contracts of £54,837 (2001 - £159,373).

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	4% Straight line
Plant and machinery	20 - 33 1/3% Straight line
Fixtures, fittings & equipment	20 - 33 1/3% Straight line
Motor vehicles	25% Straight line

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated in accordance with the policy stated above. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

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

1.7 Pensions

The company operates a defined contribution scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with Financial Reporting Standard No 17.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

1 Accounting policies (Continued)

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Turnover

Geographical market

	Turnover	
	2002	2001
	£	£
United Kingdom	12,242,262	8,643,441
USA	329,324	311,543
Other European Countries	108,129	63,554
Rest of the World	169	12,195
	<u>12,679,884</u>	<u>9,030,733</u>

3 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	241,108	146,499
Loss on disposal of tangible assets	1,944	93,235
Loss on foreign exchange transactions	42,045	243,527
Operating lease rentals		
- Plant and machinery	21,950	16,351
- Other assets	16,865	40,602
Auditors' remuneration	9,500	9,500
	<u></u>	<u></u>

4 Interest payable

	2002	2001
	£	£
On bank loans and overdrafts	15,311	20,991
On other loans wholly repayable within 5 years	5,294	2,756
Hire purchase interest	12,969	13,008
	<u>33,574</u>	<u>36,755</u>

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

5	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	460,000	200,000
	Adjustment for prior years	16,273	372
	Current tax charge	<u>476,273</u>	<u>200,372</u>
	Deferred tax		
	Deferred tax (credit)/charge current year	(28,785)	16,660
		<u>447,488</u>	<u>217,032</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,430,919</u>	<u>602,558</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2001 : 30.00%)	<u>429,276</u>	<u>180,767</u>
	Effects of:		
	Non deductible expenses	18,535	14,504
	Depreciation	72,915	71,947
	Capital allowances	(62,533)	(73,283)
	Adjustments to previous periods	16,273	-
	Other tax adjustments	1,807	6,437
		<u>46,997</u>	<u>19,605</u>
	Current tax charge	<u>476,273</u>	<u>200,372</u>

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

6 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2001	139,217	239,660	217,689	282,231	878,797
Additions	1,290	182,917	121,367	77,644	383,218
Disposals	-	-	-	(56,917)	(56,917)
At 31 January 2002	140,507	422,577	339,056	302,958	1,205,098
Depreciation					
At 1 February 2001	5,569	29,732	69,140	69,519	173,960
On disposals	-	-	-	(38,350)	(38,350)
Charge for the year	5,580	71,773	82,147	81,608	241,108
At 31 January 2002	11,149	101,505	151,287	112,777	376,718
Net book value					
At 31 January 2002	129,358	321,072	187,769	190,181	828,380
At 31 January 2001	133,648	209,928	148,549	212,712	704,837

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 January 2002	173,289
At 31 January 2001	209,657
Depreciation charge for the year	
31 January 2002	70,721
31 January 2001	47,924

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 February 2001 & at 31 January 2002	100

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Wesco Logistics Limited (Dormant)	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Wesco Logistics Limited (Dormant)	100	-

8 Stocks

	2002 £	2001 £
Finished goods and goods for resale	5,385,743	3,495,768

9 Debtors

	2002 £	2001 £
Trade debtors	2,160,744	1,670,416
Amounts owed by participating interests	42,027	318,470
Other debtors	1,577	1,615
Prepayments and accrued income	80,335	45,281
	2,284,683	2,035,782

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

10 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	491,623	126,622
Net obligations under hire purchase contracts	78,531	78,037
Trade creditors	1,281,588	908,274
Amounts owed to parent and fellow subsidiary undertakings	100	100
Amounts owed to participating interests	1,034,909	1,194,238
Corporation tax	460,000	200,000
Other taxes and social security costs	204,470	56,545
Directors' current accounts	180	180
Other creditors	-	6,545
Accruals and deferred income	292,665	101,702
	<u>3,844,066</u>	<u>2,672,243</u>

The bank overdrafts are secured by a fixed and floating charge over all company assets. Interest is charged on the overdraft at 2% over bank base rate.

Net obligations under hire purchase contracts are secured against the assets to which they relate.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

11 Creditors: amounts falling due after more than one year	2002 £	2001 £
Other loans	2,525,689	2,525,689
Net obligations under hire purchase contracts	43,937	90,617
	<u>2,569,626</u>	<u>2,616,306</u>
Analysis of loans		
Wholly repayable within five years	2,525,689	2,532,234
	<u>2,525,689</u>	<u>2,532,234</u>
Included in current liabilities	-	(6,545)
	<u>2,525,689</u>	<u>2,525,689</u>

The loan is from Wesco Aircraft Hardware Corp., is interest free and has no fixed date for repayment.

Net obligations under hire purchase contracts

Repayable within one year	85,895	89,071
Repayable between one and five years	45,012	96,252
	<u>130,907</u>	<u>185,323</u>
Finance charges and interest allocated to future accounting periods	(8,439)	(16,669)
	<u>122,468</u>	<u>168,654</u>
Included in liabilities falling due within one year	(78,531)	(78,037)
	<u>43,937</u>	<u>90,617</u>

Net obligations under hire purchase contracts are secured against the assets to which they relate.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

12 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 February 2001	35,785
Profit and loss account	(28,785)
Balance at 31 January 2002	<u>7,000</u>

Deferred taxation provided in the financial statements is as follows:

	2002 £	2001 £
Accelerated capital allowances	<u>7,000</u>	<u>35,785</u>

13 Pension costs

Defined contribution

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. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,920 (2001 - £22,556).

	2002 £	2001 £
Contributions payable by the company for the year	<u>34,920</u>	<u>22,556</u>

14 Share capital

	2002 £	2001 £
Authorised		
10,000 Ordinary shares of £ 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £ 1 each	<u>10,000</u>	<u>10,000</u>

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 February 2001	1,211,954
Retained profit for the year	983,431
Balance at 31 January 2002	<u>2,195,385</u>

16 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial year	983,431	385,526
Opening shareholders' funds	1,221,954	836,428
Closing shareholders' funds	<u>2,205,385</u>	<u>1,221,954</u>

17 Contingent liabilities

There is an H M Customs and Excise guarantee liability of £100,000 (2001 - £30,000).

18 Financial commitments

At 31 January 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2002 £	2001 £	2002 £	2001 £
Expiry date:				
Within one year	15,450	-	-	8,790
Between two and five years	3,000	18,450	12,047	13,094
	<u>18,450</u>	<u>18,450</u>	<u>12,047</u>	<u>21,884</u>

19 Capital commitments

At 31 January 2002 the company had capital commitments as follows:

	2002 £	2001 £
Contracted for but not provided in the financial statements	-	27,500

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

20 Directors' emoluments	2002 £	2001 £
Emoluments for qualifying services	58,206	67,896
Company pension contributions to money purchase schemes	4,257	4,422
	<u>62,463</u>	<u>72,318</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2001 - 1).

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2002 Number	2001 Number
Administration	19	8
Sales	19	19
Warehouse	39	25
	<u>77</u>	<u>52</u>

Employment costs

	£	£
Wages and salaries	1,618,104	1,035,635
Social security costs	144,978	105,173
Other pension costs	34,920	22,556
	<u>1,798,002</u>	<u>1,163,364</u>

22 Control

The ultimate parent company is Flintbrook Limited, a company controlled by R Snyder, a director.

WESCO AIRCRAFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

23 Related party transactions

During the financial year the company entered into transactions with related parties as stated below.

Flintbrook Limited

Flintbrook Limited is this company's ultimate parent company. During the prior year amounts owed from Flintbrook Limited amounting to £74,457 were written off and were disclosed as an exceptional item in the profit and loss account.

Wesco Aircraft Hardware Corp.

Wesco Aircraft Hardware Corp., a company registered in the USA is controlled by R Snyder a director of Wesco Aircraft United Kingdom Limited. During the year Wesco Aircraft Hardware Corp. purchased £200,231 (2001 - £249,799) of aircraft parts from, and sold £1,492,369 (2001 - £1,369,438) of aircraft parts to Wesco Aircraft United Kingdom Limited on an arms length basis. In addition Wesco Aircraft Hardware Corp. sold £Nil (2001 - £5,160) of aircraft parts to Wesco Aircraft United Kingdom Limited under a direct line feed (DLF) agreement on which commissions are earned. Total commission paid to Wesco Aircraft United Kingdom Limited including DLF commissions amounted to £65,995 (2001 - £108,411). At the balance sheet date £34,937 (2001 - £311,380) was due from Wesco Aircraft Hardware Corp. and included in debtors, amounts owed by participating interests and £1,034,909 (2001 - £1,194,238) was due to Wesco Aircraft Hardware Corp. and included in creditors, amounts owed to participating interests. In addition, a loan of £2,525,689 was reclassified in the prior year and this amount is now included in creditors, amounts due after one year.

Snyder Family Living Trust (Trust)

The company operates from premises which are owned by the Trust, in which R Snyder, a director of this company, has an interest. No rent has been paid during the year as the company is enjoying a rent-free period and a formal lease agreement was signed on 15 April 2002. At the balance sheet date, £7,090 (2001 - £7,090) was owed by the Trust and included in debtors, amounts owed by participating interests.

24 Post balance sheet events

On 15 April 2002, the company entered into a lease agreement with Snyder Family Living Trust in respect of the lease of the company's Registered Office. The annual commitment under the agreement is £66,000 and the agreement terminates 31 December 2005.