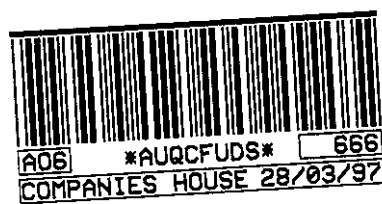


Company Registration No. 2415708 (England and Wales)

R.V. AVIATION LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 1996



R.V. AVIATION LIMITED

COMPANY INFORMATION

Directors	R.J. Verrall W.P. Verrall
Secretary	J. Verrall
Company Number	2415708
Registered Office	1 East Street Tonbridge Kent TN9 1AR
Accountants	Creaseys Chartered Accountants 1 East Street Tonbridge Kent TN9 1AR

R.V. AVIATION LIMITED

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R.V. AVIATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1996

The directors present their report and financial statements for the year ended 30 September 1996.

Review of the Business

The principal activity of the company continued to be that of aviation services.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and Dividends

The results for the year are set out on page 2.

The directors recommend payment of a final dividend amounting to £17,600.

Directors

The following directors have held office since 1 October 1995:

R.J. Verrall
W.P. Verrall

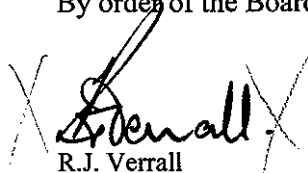
In accordance with the articles of association, the directors are not required to retire at the annual general meeting.

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary of £1 each	
	30 September 1996	1 October 1995
R.J. Verrall	25	25
W.P. Verrall	-	-

By order of the Board


R.J. Verrall

Director

18.3.97

R.V. AVIATION LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 1996

	Notes	1996 £	1995 £
Turnover	2	84,753	321,145
Cost of sales		(19,251)	(253,829)
Gross profit		65,502	67,316
Administrative expenses		(40,475)	(41,883)
Operating profit	3	25,027	25,433
Other interest receivable and similar income	4	168	764
Profit on ordinary activities before taxation		25,195	26,197
Tax on profit on ordinary activities	5	(7,900)	(8,082)
Profit on ordinary activities after taxation		17,295	18,115
Dividends	6	(17,600)	(44,000)
Retained loss for the year	10	(305)	(25,885)

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.

R.V. AVIATION LIMITED

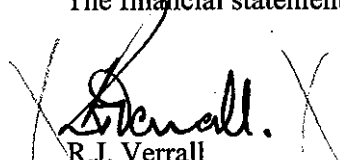
BALANCE SHEET AS AT 30 SEPTEMBER 1996

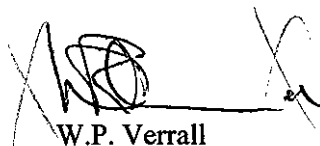
	Notes	1996 £	1995 £
Fixed assets			
Tangible assets	7	22,212	32,933
Current assets			
Cash at bank and in hand		14,581	4,639
Creditors: amounts falling due within one year	8	(36,494)	(36,968)
Net current liabilities		(21,913)	(32,329)
Total assets less current liabilities		299	604
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	199	504
Shareholders' funds - equity interests	11	299	604

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts which 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 Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 18.3.97


R.J. Verrall
Director


W.P. Verrall
Director

R.V. AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

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:

Office equipment	equal annual instalments at 25% per annum
Motor vehicles	equal annual instalments at 25% per annum

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	1996	1995
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	12,910	12,679
4 Other Interest Receivable and Similar Income	1996	1995
	£	£
Bank interest	168	764
5 Taxation	1996	1995
	£	£
U.K. Current year taxation		
U.K. Corporation tax at 25% (1995 - 25%)	7,900	8,082

The company is a "close" company within the provisions of the Income and Corporation Taxes Act 1988.

R.V. AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

6 Dividends	1996	1995
	£	£
Ordinary interim paid	-	44,000
Ordinary final proposed	17,600	-
	<u>17,600</u>	<u>44,000</u>
7 Tangible Fixed Assets		
	Office equipment	Motor vehicles
	£	£
Cost		Total
		£
At 1 October 1995	9,826	46,845
Additions	2,189	-
	<u>12,015</u>	<u>46,845</u>
At 30 September 1996		58,860
Depreciation		
At 1 October 1995	8,401	15,337
Charge for the year	1,198	11,712
	<u>9,599</u>	<u>27,049</u>
At 30 September 1996		36,648
Net book values		
At 30 September 1996	2,416	19,796
	<u>1,425</u>	<u>31,508</u>
At 30 September 1995		32,933
8 Creditors : amounts falling due within one year	1996	1995
	£	£
Corporation tax	4,982	5,082
Other taxes and social security costs	856	780
Directors' current accounts	934	29,456
Other creditors	8,122	-
Accruals and deferred income	4,000	1,650
Proposed dividend	17,600	-
	<u>36,494</u>	<u>36,968</u>

R.V. AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

9 Share Capital	1996	1995
	£	£
Authorised		
100 Ordinary of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary of £1 each	100	100
10 Statement of movements on profit and loss account		
		Profit and loss account
		£
Balance at 1 October 1995		504
Retained loss for the year		(305)
Balance at 30 September 1996		199
11 Reconciliation of Movements in Shareholders' Funds	1996	1995
	£	£
Profit for the financial year	17,295	18,115
Dividends	(17,600)	(44,000)
Net depletion in shareholders' funds	(305)	(25,885)
Opening shareholders' funds	604	26,489
Closing shareholders' funds	299	604
12 Directors' Emoluments	1996	1995
	£	£
Remuneration	9,100	9,000

R.V. AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

13 Employees

Number of employees

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

	1996 Number	1995 Number
Directors	1	1
Other employees	1	1
	<u>2</u>	<u>2</u>

Employment costs

	£	£
Wages and salaries	12,200	11,930
Social security costs	637	630
	<u>12,837</u>	<u>12,560</u>