

Registration number 03646321

LAG Holdings Limited
Directors' report and financial statements
for the year ended 31 October 2002



IAG Holdings Limited

Company information

Directors	T Davey
Secretary	J F Brown
Company number	03646321
Registered office	Bolney Place Cowfold Road Bolney Haywards Heath, West Sussex. RH17 5QT.
Auditors	Hacker Young 168 Church Road Hove East Sussex BN3 2DL
Business address	Bolney Place Cowfold Road Bolney Haywards Heath, West Sussex RH17 5QT.

IAG Holdings Limited

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IAG Holdings Limited

Directors' report for the year ended 31 October 2002

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

Principal activity

The principal activity of the company was the letting of property space.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Class of share	At 31 October 2002	At 1 November 2001
T Davey	C Ordinary	39,682	19,841
	A Preference	176,460	88,230
	B Preference	19,259	9,629
	B Ordinary	3,221	1,661
D Smith (resigned 31.3.02)	C Ordinary	-	19,841
	A Preference	-	88,230
	B Preference	-	9,629
	B Ordinary	-	1,661

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Hacker Young be reappointed as auditors of the company will be put to the Annual General Meeting.

The directors recommend that Hacker Young remain in office until further notice.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 13 March 2003 and signed on its behalf by



J F Brown
Secretary

IAG Holdings Limited

Independent auditors' report to the shareholders of IAG Holdings Limited

We have audited the financial statements of IAG Holdings Limited for the year ended 31 October 2002 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities 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.

IAG Holdings Limited

Independent auditors' report to the shareholders of IAG Holdings Limited continued

Opinion

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



Hacker Young
Registered auditors
13 March 2003

168 Church Road
Hove
East Sussex

BN3 2DL

IAG Holdings Limited

Profit and loss account for the year ended 31 October 2002

		2002	2001
	Notes	£	£
Turnover	2	107,008	86,978
Administrative expenses		(110,162)	(51,476)
Operating (loss)/profit	3	(3,154)	35,502
Other interest receivable and similar income		571	-
Interest payable and similar charges		-	(29,684)
(Loss)/profit on ordinary activities before taxation		(2,583)	5,818
Tax on (loss)/profit on ordinary activities 4		(13)	(1,092)
(Loss)/retained profit for the year		(2,596)	4,726
Retained profit/(loss) brought forward		4,367	(359)
Retained profit carried forward		1,771	4,367

The notes on pages 6 to 8 form an integral part of these financial statements.

IAG Holdings Limited

**Balance sheet
as at 31 October 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Investments	5		306,332		306,332
Current assets					
Debtors	6	48,489		24,728	
Cash at bank and in hand		9,667		79,552	
		<u>58,156</u>		<u>104,280</u>	
Creditors: amounts falling due within one year	7	<u>(56,385)</u>		<u>(99,913)</u>	
Net current assets			<u>1,771</u>		<u>4,367</u>
Net assets			<u><u>308,103</u></u>		<u><u>310,699</u></u>
Capital and reserves					
Called up share capital	8		306,332		306,332
Profit and loss account			<u>1,771</u>		<u>4,367</u>
Shareholders' funds			<u><u>308,103</u></u>		<u><u>310,699</u></u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 13 March 2003 and signed on its behalf by

T Davey
Director



The notes on pages 6 to 8 form an integral part of these financial statements.

LAG Holdings Limited

Notes to the financial statements for the year ended 31 October 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of rent received during the year.

1.3. Investments

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

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

1.5. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Turnover

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

3. Operating (loss)/profit

	2002	2001
	£	£
Operating (loss)/profit is stated after charging:		
Auditors' remuneration	1,500	2,250

4. Tax on (loss)/profit on ordinary activities

Analysis of charge in period	2002	2001
	£	£
UK corporation tax	-	1,092
Prior period adjustments	13	-
Tax on profit on ordinary activities	13	1,092

IAG Holdings Limited

Notes to the financial statements for the year ended 31 October 2002

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5. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 November 2001		
At 31 October 2002	306,332	306,332
Net book values		
At 31 October 2002	306,332	306,332
At 31 October 2001	306,332	306,332

5.1. Holdings of 20% or more

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

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Independent Aviation Group Ltd	England	Aircraft seat wholesaler	Ordinary	100%

6. Debtors	2002 £	2001 £
Trade debtors	17,647	18,933
Amounts owed by group undertakings	21,820	-
Other debtors	-	5,795
Prepayments and accrued income	9,022	-
	48,489	24,728

IAG Holdings Limited

Notes to the financial statements for the year ended 31 October 2002

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7. Creditors: amounts falling due within one year	2002 £	2001 £
Trade creditors	8,313	8,527
Amounts owed to group undertaking	-	65,314
Other creditors	39,092	11,223
Accruals and deferred income	8,980	14,849
	<u>56,385</u>	<u>99,913</u>
 8. Share capital	 2002 £	 2001 £
Authorised		
12,542 B Ordinary shares of £1 each	12,542	12,542
39,682 C Ordinary shares of £1 each	39,682	39,682
176,460 A Preference shares of £1 each	176,460	176,460
77,648 B Preference shares of £1 each	77,648	77,648
	<u>306,332</u>	<u>306,332</u>
 Allotted, called up and fully paid		
12,542 B Ordinary shares of £1 each	12,542	12,542
39,682 C Ordinary shares of £1 each	39,682	39,682
176,460 A Preference shares of £1 each	176,460	176,460
77,648 B Preference shares of £1 shares	77,648	77,648
	<u>306,332</u>	<u>306,332</u>

9. Related party transactions

Rent payable totalling £29,074 (2001 Management expenses £8,500) were paid during the year to Independent Aviation Group Limited the company's subsidiary undertaking. As at 31 October 2002 the company had an intercompany debtor of £21,820 (2001 creditor £65,314) with that company.