

Company Registration No. 2116704 (England and Wales)

LIVERPOOL AIRPORT PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005



LIVERPOOL AIRPORT PLC

COMPANY INFORMATION

Directors

John Whittaker
Robert Hough DL, LL.B. (Chairman)
Peter Scott F.C.C.A.
Paul P. Wainscott A.C.I.S.
Peter Hosker LL.B
Neil Pakey
John Fletcher
Ronald Round
Alan Jennings
Peter Millea (Appointed 30 June 2004)
Anthony Robertson (Appointed 10 August 2004)

Secretary

Neil Lees A.C.I.S.

Company number

2116704

Registered office

Peel Dome
The Trafford Centre
Manchester
M17 8PL

Auditors

Deloitte & Touche LLP
Manchester

Bankers

Barclays Bank Plc

LIVERPOOL AIRPORT PLC

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LIVERPOOL AIRPORT PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

Principal activities and review of the business

The principal activity of the company is the operational control and management of Liverpool John Lennon Airport and the provision of associated facilities and services.

The airport continues to be successful in attracting new operators and in the period Flybe, Europe's 3rd largest low cost airline, established a base at Liverpool, and after a fourteen year absence Aer Lingus returned in October 2004 with a new Dublin to Liverpool route. This has, in turn, increased the number of destinations now served by Liverpool to over 40.

Ryanair passenger throughput grew by 8.45% to 357,000 partly due to increased load factors and partly due to the addition of new routes to Rome and Milan in the period. easyJet traffic has continued to grow with an increase of 7.8% on last year's throughput with new routes opening to Basel, Cologne and Berlin. Overall, passenger throughput for the year to March 2005 increased from 3.15 million in 2004 to 3.46 million, an increase of 9.8%.

The Secretary of State for Transport, Alistair Darling MP opened the airport's departure lounge extension as *plans were being made for the Phase IV construction programme needed to develop and improve the infrastructure to accommodate the sustained growth.* The additional investment for Phase IV amounts to £17m which delivers new apron stands, car park and terminal capacity to ensure passengers continue to enjoy the no-frills, quick turnaround experience with which Liverpool John Lennon Airport is now synonymous.

Financial results improved over the year with the Airport making an operating profit of £780k compared to an operating loss in the previous year of £247k, an improvement of £1m in the period with further progress forecast in the next financial year.

In July 2004, the airport won the Liverpool Daily Post and Echo International Business of the Year Award in recognition of the exceptional increase in the number of European destinations now available at the airport.

2004 was also the year in which the CAA confirmed that Liverpool John Lennon is now the third largest regional airport in the UK for International Scheduled Passengers.

Results and dividends

The results for the year are set out on page 5.

No dividend can be paid (2004: £nil).

Airport Economic Regulations

The company is subject to economic regulations under the Airports Act 1986 which require the Airport to hold permission from the Civil Aviation Authority to levy airport charges. The allocation of airport operational activities of the Company are discussed in note 3.

LIVERPOOL AIRPORT PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

Directors and their interests

The following directors have held office since 1 April 2004:

John Whittaker	
Robert Hough DL, LL.B. (Chairman)	
Peter Scott F.C.C.A.	
Paul P. Wainscott A.C.I.S.	
Peter Hosker LL.B	
Neil Pakey	
John Fletcher	
David Martin	(Resigned 10 August 2004)
Ronald Round	
Alan Jennings	
Peter Millea	(Appointed 30 June 2004)
Anthony Robertson	(Appointed 10 August 2004)
Michael Storey	(Resigned 30 June 2004)

The directors have no interests in the share capital of the company.

John Whittaker and Peter Scott are also directors of the intermediate holding company, Peel Acquisitions Limited, in whose accounts their beneficial interests in the shares and financial instruments of that company, companies within the Peel Acquisitions Limited group and the ultimate holding company, Tokenhouse Holdings Limited, are disclosed.

Employee involvement

Regular meetings are held involving senior management and trade union representatives of all employees to convey information about the business. During the year, the company has provided training for all employees at all levels through a programme of courses and appropriate development activity.

The policy of the company is to ensure, in so far as it is able to do so, the health, safety and welfare of everyone engaged in or affected by its activities.

Disabled persons

It is the policy of the company to give full and fair consideration to applications for employment received from all people including disabled persons. Within the limitations of their abilities, they are given the same opportunities for training, career development and promotion as are available to other company employees and, if necessary, retraining is given to an employee who becomes disabled whilst in the company's employment.

Auditors

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

LIVERPOOL AIRPORT PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

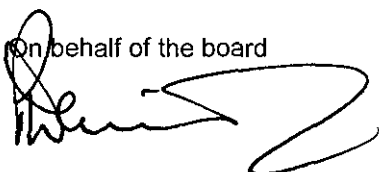
Directors' responsibilities

United Kingdom 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;
- state whether applicable 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 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



Paul P. Wainscott A.C.I.S.

Director

7 October 2005

LIVERPOOL AIRPORT PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LIVERPOOL AIRPORT PLC

We have audited the financial statements of Liverpool Airport PLC on pages 5 to 17, which include the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and related notes 1 to 23, for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention and 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 the directors and auditors

As described in the statement of directors' responsibilities on page 3, 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 March 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

10 October 2005

Chartered Accountants
Registered Auditor

Manchester

LIVERPOOL AIRPORT PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover	2	24,167,003	23,531,166
Cost of sales		(16,741,726)	(10,788,662)
Gross profit		<u>7,425,277</u>	<u>12,742,504</u>
Administrative expenses		(6,645,270)	(12,989,804)
Operating profit/(loss)	4	<u>780,007</u>	<u>(247,300)</u>
Other interest receivable and similar income	5	261,298	55,456
Interest payable and similar charges	6	(2,942,478)	(1,448,076)
Loss on ordinary activities before taxation		<u>(1,901,173)</u>	<u>(1,639,920)</u>
Tax on loss on ordinary activities	7	<u>31,393</u>	<u>(474,043)</u>
Loss on ordinary activities after taxation	16	<u><u>(1,869,780)</u></u>	<u><u>(2,113,963)</u></u>

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

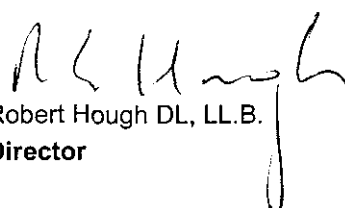
There are no recognised gains and losses other than those passing through the profit and loss account.

LIVERPOOL AIRPORT PLC

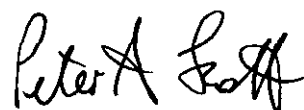
BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	8	95,319,967		94,065,117	
Investments	9	10,000		10,000	
		<u>95,329,967</u>		<u>94,075,117</u>	
Current assets					
Debtors	10	4,055,984		4,088,315	
Cash at bank and in hand		971,497		384,641	
		<u>5,027,481</u>		<u>4,472,956</u>	
Creditors: amounts falling due within one year	11	(28,991,571)		(28,061,329)	
Net current liabilities		<u>(23,964,090)</u>		<u>(23,588,373)</u>	
Total assets less current liabilities		<u>71,365,877</u>		<u>70,486,744</u>	
Creditors: amounts falling due after more than one year	12	(42,456,551)		(39,707,638)	
		<u>28,909,326</u>		<u>30,779,106</u>	
Capital and reserves					
Called up share capital	15	53,040,000		53,040,000	
Share premium account	16	2,500,000		2,500,000	
Profit and loss account	16	(26,630,674)		(24,760,894)	
Shareholders' funds - equity interests	17	<u>28,909,326</u>		<u>30,779,106</u>	

The financial statements were approved by the Board on 7 October 2005


Robert Hough DL, LL.B.
Director

Peter Scott F.C.C.A.
Director



LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

As permitted by Financial Reporting Standard No. 1 (revised) "Cash Flow Statements", the company has not prepared a cash flow statement as the company is a wholly owned subsidiary undertaking of the Peel Acquisitions Limited group of companies. Peel Acquisitions Limited is a company incorporated and registered in England which produces group financial statements in accordance with the Companies Act 1985, which include a consolidated group cash flow statement.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

1.3 Turnover

Turnover represents amounts receivable by the company in respect of facilities and services provided during the year.

Turnover excludes sales related tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Land and buildings Freehold	rates varying between 2% and 15% per annum.
Assets in the course of construction	no depreciation
Runways, lighting and car parks	rates varying between 1% and 5% per annum.
Other assets	rates varying between 10% and 25% per annum.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

1.6 Investments

Fixed asset investments in subsidiary undertakings are stated at cost less provision for impairment. Cost represents the aggregate cash consideration, costs incurred and either the fair or the nominal value of shares issued.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies (continued)

1.8 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a non-discounted basis.

1.9 Group accounts

Group accounts have not been prepared as permitted by section 228 of the Companies Act 1985 as the company is itself a wholly owned subsidiary of a body corporate incorporated in the United Kingdom. The financial statements thus provide information about the company as a single entity and not about its group.

1.10 Related Party Disclosures

The company has taken advantage of the exemption in paragraph 3(c) of Financial Reporting Standard No. 8 "Related Party Disclosures" and has not disclosed details of transactions with fellow wholly owned undertakings within the Peel Acquisitions Limited group of companies.

1.11 Government Grants

Government grants received in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful life of the assets.

2 Turnover

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

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

3 Airport Economic Regulations

Included in operating profit/(loss) are the following amounts in respect of airport operational activities:

	2005 £	2004 £
Airport Charges:		
Revenue	12,233,167	12,869,453
Costs	(16,598,125)	(16,709,153)
	<u>(4,364,958)</u>	<u>(3,839,700)</u>
Other income:		
Revenue	11,933,836	10,661,713
Costs	(6,788,871)	(7,069,313)
	<u>5,144,965</u>	<u>3,592,400</u>
Operating profit/(loss)	<u>780,007</u>	<u>(247,300)</u>

The 'other income' category includes concesssion and rental income.

4 Operating profit/(loss)	2005 £	2004 £
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	5,981,123	5,422,376
Operating lease rentals		
- Plant and machinery	45,410	138,481
Auditors' remuneration	15,000	15,000
Remuneration of auditors for non-audit work and after crediting:	9,252	2,000
Government grants	<u>1,318,281</u>	<u>1,139,594</u>

5 Interest receivable	2005 £	2004 £
Bank interest	161,298	55,456
On amounts owed by group undertakings	100,000	-
	<u>261,298</u>	<u>55,456</u>

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

6	Interest payable	2005	2004
		£	£
	On amounts payable to group companies	1,383,991	430,000
	On bank loans and overdrafts	1,514,668	951,196
	Lease finance charges and hire purchase interest	43,819	66,880
		<u>2,942,478</u>	<u>1,448,076</u>
7	Taxation	2005	2004
		£	£
	UK current year tax		
	Adjustment for prior years	(31,393)	457,406
	Payment in respect of group relief	-	16,637
		<u>(31,393)</u>	<u>474,043</u>
	Current tax (credit)/charge		
		<u>(31,393)</u>	<u>474,043</u>
	 Factors affecting the tax (credit)/charge for the year		
	Loss on ordinary activities before taxation	<u>(1,901,173)</u>	<u>(1,639,920)</u>
	 Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	<u>(570,352)</u>	<u>(491,976)</u>
	 Effects of:		
	Non deductible expenses	6,412	7,405
	Capital allowances in excess of depreciation	(345,722)	(530,359)
	Tax losses generated/(utilised)	819,183	(95,858)
	Other deferred tax movements	90,479	1,127,425
	Adjustments to previous periods	(31,393)	457,406
		<u>538,959</u>	<u>966,019</u>
	Current tax (credit)/charge	<u>(31,393)</u>	<u>474,043</u>

The company has available trading losses carried forward at 31 March 2005 of £7,249,753 (2004: £3,686,000).

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Tangible fixed assets

	Land and buildings Freehold £	Assets in the course of construction £	Runways, lighting and car parks £	Other assets £	Total £
Cost					
At 1 April 2004	65,482,645	-	30,948,759	21,840,344	118,271,748
Additions	4,192,882	915,059	511,031	1,617,001	7,235,973
At 31 March 2005	69,675,527	915,059	31,459,790	23,457,345	125,507,721
Depreciation					
At 1 April 2004	8,789,500	-	5,997,703	9,419,428	24,206,631
Charge for the year	2,507,207	-	427,314	3,046,602	5,981,123
At 31 March 2005	11,296,707	-	6,425,017	12,466,030	30,187,754
Net book value					
At 31 March 2005	58,378,820	915,059	25,034,773	10,991,315	95,319,967
At 31 March 2004	56,693,145	-	24,951,056	12,420,916	94,065,117

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

	Other assets £
Net book values	
At 31 March 2005	1,015,410
At 31 March 2004	1,249,728
Depreciation charge for the year	
At 31 March 2005	234,318
At 31 March 2004	233,469

At 31st March 2005, freehold land and buildings includes freehold land which is not subject to depreciation in the amount of £6,678,707 (2004: £5,129,877).

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2004 & at 31 March 2005	10,000
Net book value	
At 31 March 2005	10,000
At 31 March 2004	10,000

The company owns 100% of the ordinary share capital of Liverpool Airport Development Limited, a dormant company incorporated in England and Wales.

10 Debtors	2005 £	2004 £
Trade debtors	2,216,548	1,808,721
Amounts owed by parent and fellow subsidiary undertakings	1,502,299	1,897,147
Corporation tax	1,075	-
Other debtors	129,384	133,180
Prepayments and accrued income	206,678	249,267
	<u>4,055,984</u>	<u>4,088,315</u>

11 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	285,886	270,467
Net obligations under finance leases and hire purchase contracts	297,348	425,755
Trade creditors	91,135	18,854
Amounts owed to parent and fellow subsidiary undertakings	22,197,219	21,195,637
Taxes and social security costs	223,470	321,210
Other creditors	56,716	124,390
Capital grant	1,543,281	1,273,864
Accruals and deferred income	4,296,516	4,431,152
	<u>28,991,571</u>	<u>28,061,329</u>

Details of security on the above are disclosed in the following note.

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Creditors: amounts falling due after more than one year	2005 £	2004 £
Bank loans	25,386,572	22,372,458
Net obligations under finance leases and hire purchase contracts	-	297,349
Capital grant	17,069,979	17,037,831
	<u>42,456,551</u>	<u>39,707,638</u>
Analysis of loans		
Wholly repayable within five years	25,672,458	22,642,925
	<u>25,672,458</u>	<u>22,642,925</u>
Included in current liabilities	(285,886)	(270,467)
	<u>25,386,572</u>	<u>22,372,458</u>
Loan maturity analysis		
In more than one year but not more than two years	278,166	285,886
In more than two years but not more than five years	25,108,406	22,086,572
	<u>25,386,572</u>	<u>22,372,458</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	297,348	425,755
Repayable between one and five years	-	297,349
	<u>297,348</u>	<u>723,104</u>
Included in liabilities falling due within one year	(297,348)	(425,755)
	<u>-</u>	<u>297,349</u>

Finance lease obligations are secured on the assets to which they relate.

The bank loan is secured by a debenture giving a fixed charge over all land and other fixed assets and a floating charge over all other assets of the company. The loan bears interest at LIBOR plus applicable margin.

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

13 Provisions for liabilities and charges

Deferred taxation movements in the financial statements are as follows:

	2005 £	2004 £
Accelerated capital allowances	1,855,383	1,427,168
Other timing differences	(1,855,383)	(1,427,168)
	<u>-</u>	<u>-</u>

In accordance with FRS 19, no asset has been recognised for a potential deferred tax asset of £5,903,500 (2004: £5,172,091) created by tax losses and other timing differences as the losses are not expected to be utilised in the foreseeable future.

14 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.

	2005 £	2004 £
Contributions payable by the company for the year	<u>230,378</u>	<u>241,656</u>

15 Share capital

	2005 £	2004 £
Authorised		
70,000,000 Ordinary shares of £1 each	<u>70,000,000</u>	<u>70,000,000</u>
Allotted, called up and fully paid		
53,040,000 Ordinary shares of £1 each	<u>53,040,000</u>	<u>53,040,000</u>

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

16 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 April 2004	2,500,000	(24,760,894)
Retained loss for the year	-	(1,869,780)
	<u>2,500,000</u>	<u>(26,630,674)</u>
Balance at 31 March 2005	2,500,000	(26,630,674)

Shares issued in consideration for assets transferred to the company on its formation were issued at a premium of £2,500,000 (2004: £2,500,000).

17 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Loss for the financial year	(1,869,780)	(2,113,963)
Opening shareholders' funds	30,779,106	32,893,069
	<u>28,909,326</u>	<u>30,779,106</u>
Closing shareholders' funds	28,909,326	30,779,106

18 Contingent liabilities

At 31 March 2005, the company had guaranteed bank loans of other group companies amounting to £29,804,315 (2004: £nil).

19 Financial commitments

At 31 March 2005 the company was committed to making the following payments under non-cancellable operating leases in the year 31 March 2006:

	2005 £	Other 2004 £
Operating leases which expire:		
Within one year	7,666	4,989
Between two and five years	34,372	32,309
	<u>42,038</u>	<u>37,298</u>

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

20 Capital commitments	2005	2004
	£	£

At 31 March 2005 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	17,234,000	6,305,000
	<u> </u>	<u> </u>

21 Directors' emoluments	2005	2004
	£	£

Emoluments for qualifying services	113,568	97,605
Company pension contributions to money purchase schemes	5,100	-
	<u> </u>	<u> </u>
	118,668	97,605
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2004 - 0).

22 Employees

Number of employees

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

	2005	2004
	Number	Number
Administration	13	13
Airport operational and maintenance	339	337
	<u> </u>	<u> </u>
	352	350
	<u> </u>	<u> </u>

Employment costs	2005	2004
	£	£

Wages and salaries	7,293,503	7,815,612
Social security costs	724,589	713,502
Other pension costs	230,378	241,656
	<u> </u>	<u> </u>
	8,248,470	8,770,770
	<u> </u>	<u> </u>

LIVERPOOL AIRPORT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

23 Control

The ultimate holding company is Tokenhouse Holdings Limited, a company incorporated in Guernsey, which is in turn controlled by the 1997 Billown settlement trust.

The largest group of undertakings, of which the company is a member, that produces consolidated accounts is Peel Acquisitions Limited, a company registered in England. Its group accounts are available from the Company Secretary, Peel Acquisitions Limited at Peel Dome, The Trafford Centre, Manchester, M17 8PL.

The smallest group of undertakings, of which the company is a member, that produces consolidated accounts is Peel Airports Holdings Limited, a company registered in England. Its group accounts are available from the Company Secretary, Peel Airports Holdings Limited at Peel Dome, The Trafford Centre, Manchester, M17 8PL.