

Lynton Corporate Jet Limited

Annual report and financial statements
for the year ended 31 December 2002

Registered number: 02501794



Company information

Directors

R Booth
A R Wood

Secretary

S M F Shaw

Auditors

Deloitte & Touche LLP
London

Registered Office

7th Floor
20 Balderton Street
London
W1K 6TL

Directors' report
For the year ended 31 December 2002

The directors present their report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2002.

Principal activity and business review

The principal activity is that of general partner in Aviation Partnership. The partnership, whose business address is Hangar 63, Percival Way, London Luton Airport, Luton, Bedfordshire LU2 9NT, is a limited partnership between Lynton Corporate Jet Limited (general partner) and Paul Bertrand Wolfgang Hamlyn (Limited Partner). Lynton Corporate Jet Limited's share is 0.1% of the partnership's profits and losses. Due to the death of the Limited Partner the partnership has been wound up in their year to 30 June 2003.

Results and dividends

The audited financial statements for the year ended 31 December 2002 are set out on pages 6 to 11. The profit/(loss) for the period was £1,599 (2001 – loss of £488). The directors do not recommend the payment of a dividend (2001 – nil).

Directors and their interests

The directors who served during the period and thereafter were as follows:

T P Whitehead (resigned 6 December 2002)
K A Pearson (resigned 6 December 2002)
J G F Soper (resigned 6 December 2002)
R Booth (appointed 6 December 2002)
A R Wood (appointed 6 December 2002)

The directors had no beneficial interests in the share capital of the company. Details of share options held by directors in the ultimate parent company BBA Group plc, are as follows:

<u>Executive and employee share options</u>				
Name	1 January 2002	Granted	Exercised/ lapsed	31 December 2002
R Booth	96,085	26,700	-	122,785
A R Wood	221,000	107,400	-	328,400

In addition at 31 December 2002, AR Wood had been awarded 122,778 restricted shares (2001-122,778) under the BBA Group Long Term Incentive Plan. AR Wood (in the name of his spouse) also had 10,411 ordinary 25 pence shares. Details of both of these can be found in the BBA Plc Group financial statements.

Directors' report
For the year ended 31 December 2002

Auditors

On 1 August 2003 Deloitte & Touche, the company's auditors, transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Directors' responsibilities

United Kingdom company law requires the directors to prepare accounts 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 year. In preparing those accounts, 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 accounts; and
- prepare the accounts 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 enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7th Floor
20 Balderton Street
London
W1K 6TL

By order of the Board



R Booth
Director

28th January 2004

Independent Auditors' report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LYNTON CORPORATE JET LIMITED

We have audited the financial statements of Lynton Corporate Jet Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes numbered 1 to 8. These financial statements have been prepared under 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 auditors' 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 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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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.

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 circumstances of the company, consistently applied and adequately disclosed.

Independent auditors' report(continued)

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 affairs of the company at 31 December 2002 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors

London

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Profit and loss account
For the year ended 31 December 2002

	Notes	Year ended 31 December 2002 £	Year ended 31 December 2001 £
Profit/(loss) from interest in partnership		1,599	(488)
Profit/(loss) for the period before and after taxation transferred to reserves	7	1,599	(488)

All amounts derive from continuing activities.


There are no recognised gains or losses or movements in shareholders' funds in either the current or preceding year other than as stated in the profit and loss account.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet
31 December 2002

	Notes	Year ended 31 December 2002 £	Year ended 31 December 2001 £
Current assets/(liabilities)			
Debtors: Amounts falling due within one year	4	1,211	100
Creditors: Amounts falling due within one year	5	-	(488)
Net current assets/(liabilities)		<u>1,211</u>	<u>(388)</u>
Capital and reserves			
Called up share capital	6	100	100
Profit and loss account	7	<u>1,111</u>	<u>(488)</u>
Equity shareholders' funds/ (deficit)	7	<u>1,211</u>	<u>(388)</u>

The accounts on pages 6 to 11 were approved by the board of directors on 28th January 2004 and signed on their behalf.



R Booth
Director

28th January 2004

The accompanying notes are an integral part of this balance sheet.

Statement of accounting policies

For the year ended 31 December 2002

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year, except that the directors have adopted Financial Reporting Standard 19: 'Deferred Tax' in the year.

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company is exempt from the requirement of FRS 1 "Cash Flow Statements" to present a cash flow statement as it is a wholly owned subsidiary of BBA Group plc, whose consolidated accounts are publicly available.

Taxation

The company has entered an arrangement under which the ultimate parent company has agreed to provide and account for all corporation tax liabilities of the company, while the company remains a *member of the BBA group*.

Pursuant to this arrangement, deferred tax is not recognised in this company on timing differences of the company, on the grounds that the relevant liability will be met by the ultimate parent company when these timing differences reverse. Deferred tax is instead recognised by the ultimate parent company on these timing differences in accordance with FRS 19 "Deferred Tax". The company adopted FRS 19 in the current accounting period and no adjustments have been made to prior year figures.

Deferred tax liabilities are provided in full by the ultimate parent company, and deferred tax assets are recognised by that company to the extent that it is regarded as more likely than not that they will be recovered. These deferred tax assets and liabilities are not discounted. Deferred tax is not provided by the ultimate parent company on the sale or revaluation of fixed assets, unless at the balance sheet date a binding commitment to sell the asset has been entered into and it is unlikely that any gain will qualify for rollover relief.

Related party transactions

The company has taken advantage of the exemption from disclosure of related party transactions given under paragraph 3(c) of Financial Reporting Standard No 3 (Related party disclosures), whereby subsidiary undertakings whose voting rights are 90% or more held within the group are not required to disclose related party transactions within the group when the consolidated financial statements of that group are publicly available.

Notes to the financial statements
For the year ended 31 December 2002

1. Profit and loss account

Audit fees in the current and preceding year were borne by BBA Group plc. No amounts were paid to the auditors in respect of non-audit services (2001 - £nil).

2. Staff numbers and cost

There were no full-time employees during the year (2001 - nil) other than the directors and the aggregate payroll costs were £nil (2001 - £nil). No director received any remuneration in the current or the preceding years for services to the company.

3. Taxation

	2002 £	2001 £
United Kingdom corporation tax charge at 30% (2001: 30%) based on the profit/loss for the period	-	-
Adjustment in respect of prior year corporation tax	-	-
Double tax relief	-	-
Total current tax credit	-	-
Adjustment in respect of prior year deferred tax	-	-
	-	-

Factors affecting the current tax charge

	2002 £	2001 £
Profit/(loss) on ordinary activities before taxation	1,599	(488)
Tax at the standard rate of corporation tax in the UK of 30% (2001: 30%)	480	(146)
Permanent differences	-	146
Capital allowances in excess of depreciation	-	-
Adjustments in respect of prior years	-	-
Other	(463)	-
	17	-
Tax losses surrendered for no payment	(17)	-
Current tax charge	-	-

Notes to the financial statements
For the year ended 31 December 2002

3. Taxation (continued)

Deferred tax

There is no provision for deferred tax in the company on the grounds that the liability will be met by the ultimate parent company when the relevant timing differences reverse, pursuant to the arrangement with the ultimate parent company referred to in the accounting policy note. Deferred tax has been included in the accounts of the ultimate parent company in respect of this company's timing differences as follows:

Asset	2002 £		2001 £	
	Provided	Unprovided	Provided	Unprovided
Arising from accelerated capital allowances	-	-	-	-
Arising from other timing differences	-	-	-	-
Arising from revaluations	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

These tax liabilities or assets would crystallise in this company if the underlying timing differences reversed, and the arrangement with the ultimate parent company referred to in the accounting policy note no longer applied.

	2002 £000	2001 £000
Deferred tax charge / (credit) recognised in the ultimate parent company in respect of the origination and reversal of timing differences of this company	-	-
	<u>-</u>	<u>-</u>

4. Debtors: Amounts falling due within one year

	2002 £	2001 £
Amounts owed by group undertakings	100	100
Amounts owed by Aviation Partnership	1,111	-
	<u>1,211</u>	<u>100</u>

5. Creditors: Amounts falling due within one year

	2002 £	2001 £
Amounts owed to Aviation Partnership	-	488
	<u>-</u>	<u>488</u>

Notes to the financial statements
For the year ended 31 December 2002

6. Called up share capital

	2002 £	2001 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100

7. Reconciliation of movements in equity shareholders' funds

	Share Capital £	Profit and Loss Account £	Total £
At 1 January 2002	100	(488)	(388)
Profit for the period	-	1,599	1,599
At 31 December 2002	100	1,111	1,211

8. Ultimate parent undertaking

The parent undertaking of the smallest group of which the company is a member is Lynton Group Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of the group financial statements of Lynton Group Limited are available from Hanger 63, Percival Way, London Luton airport, Luton LU2 9NT.

The directors regard BBA Group plc, a company incorporated in Great Britain and registered in England and Wales, as the ultimate parent company and the ultimate controlling party. BBA Group plc is the largest group of which the company is a member and for which group accounts are drawn up. Group accounts are available from 7th Floor, 20 Balderton Street, London W1K 6TL.