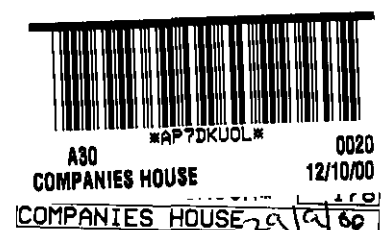


Registration Number 03468489

Eastern Airways (U.K.) Limited
Abbreviated Accounts
for the year ended 30 November 1999

Bissell & Brown
Registered Auditor &
Chartered Accountants
1 Lower Tower Street
Birmingham
B19 3NH



Eastern Airways (U.K.) Limited

Contents

	Page
Auditors' Report	1
Abbreviated Balance Sheet	2
Notes to the Financial Statements	3 - 4

**Auditors' Report to Eastern Airways (U.K.) Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of Eastern Airways (U.K.) Limited for the year ended 30 November 1999, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 30 November 1999, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

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 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 based 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.



Bissell & Brown
Chartered Accountants and
Registered Auditor

1 Lower Tower Street
Birmingham
B19 3NH

31 July 2000

Eastern Airways (U.K.) Limited

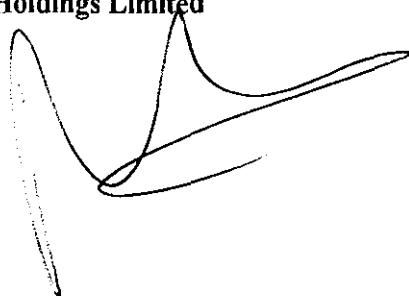
Abbreviated Balance Sheet as at 30 November 1999

	Notes	1999		1998	
		£	£	£	£
Fixed Assets					
Tangible assets	2		67,163		56,400
Current Assets					
Debtors		310,250		279,195	
Cash at bank and in hand		103,457		92,383	
		<u>413,707</u>		<u>371,578</u>	
Creditors: amounts falling due within one year		<u>(466,324)</u>		<u>(422,159)</u>	
Net Current Liabilities			<u>(52,617)</u>		<u>(50,581)</u>
Total Assets Less Current Liabilities			<u>14,546</u>		<u>5,819</u>
Capital and Reserves					
Called up share capital	3		1,000		1,000
Profit and loss account			13,546		4,819
Shareholders' Funds			<u>14,546</u>		<u>5,819</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board on 31 July 2000 and signed on its behalf by

Global Aviation Holdings Limited
Director



The notes on pages 3 to 4 form an integral part of these financial statements.

Eastern Airways (U.K.) Limited

**Notes to the Abbreviated Financial Statements
for the year ended 30 November 1999**

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% Straight Line
Motor vehicles	-	25% Straight Line

1.4. Leasing

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

1.5. 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.

1.6. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Eastern Airways (U.K.) Limited

Notes to the Abbreviated Financial Statements for the year ended 30 November 1999

..... continued

2.	Fixed assets	Tangible fixed assets £
	Cost	
	At 1 December 1998	61,401
	Additions	36,203
	Disposals	(13,341)
	At 30 November 1999	84,263
	Depreciation	
	At 1 December 1998	5,001
	On disposals	(1,937)
	Charge for year	14,036
	At 30 November 1999	17,100
	Net book values	
	At 30 November 1999	67,163
	At 30 November 1998	56,400

3.	Share capital	1999 £	1998 £
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000

4. Ultimate parent undertaking

The ultimate parent company is considered to Eastern Airways Europe Limited a company registered in England and Wales.