

Companies House.

XD FLIGHT MANAGEMENT LIMITED

Company No:4235742 (England and Wales)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2003



N R Ward

Chartered Accountants

XD FLIGHT MANAGEMENT LIMITED

Company Information

Directors

P N Atkin
J Stuart Smith
R J Wright

Secretary

R J Wright

Company Number

4235742 (England and Wales)

Registered Office

2 Piries Place
Horsham
West Sussex
RH12 1EH

Accountants

N R Ward
Chartered Accountants
36 Brushwood Road
Horsham
West Sussex
RH12 4PE

XD FLIGHT MANAGEMENT LIMITED

Directors' Report for the year ended 31 July 2003

The directors present their report and the financial statements for the year ended 31 July 2003.

Principal Activities

The company's principal activity continues to be that of chartering out a Socata TB10 aircraft.

Directors

The directors at 31 July 2003, and their interests in the share capital of the company throughout the year were as follows:-

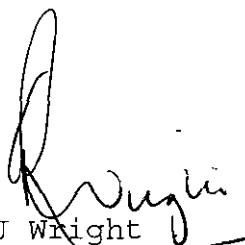
	Ordinary Shares of £1 each
P N Atkin	20
J Stuart Smith	20
R J Wright	20

Small Company Rules

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

Approved by the board on: 7th April 2004

Signed on its behalf by:


R J Wright
Director and Secretary

XD FLIGHT MANAGEMENT LIMITED

Profit and Loss Account

for the year ended 31 July 2003

		Year ended 31/7/03	15/06/01 -31/7/02
	Notes	£	£
Turnover	1.2	15 965	10 762
Administrative expenses		(20 584)	(20 986)
Operating (Loss)	2	(4 619)	(10 224)
Interest receivable		2	50
(Loss) on ordinary activities		(4 617)	(10 174)
(Loss) brought forward		(10 174)	-
(Loss) carried forward		(14 791)	(10 174)

The notes on pages 6 - 8 form
part of the financial statements

XD FLIGHT MANAGEMENT LIMITED

Balance Sheet as at 31 July 2003

		2003		2002	
	Notes	£	£	£	£
<u>Fixed Assets</u>					
Tangible assets	3		100 840		106 979
<u>Current Assets</u>					
Debtors	4	4 909		1 519	
Cash at bank		1 375		1 973	
		<u>6 284</u>		<u>3 492</u>	
<u>Creditors;</u>					
Amounts falling due within one year	5	(121 855)		(120 585)	
Net Current (Liabilities)			<u>(115 571)</u>		<u>(117 093)</u>
Net (Liabilities)			<u>(14 731)</u>		<u>(10 114)</u>
 <u>Capital and Reserves</u>					
Called up share capital	6		60		60
Profit and loss account			<u>(14 791)</u>		<u>(10 174)</u>
Shareholders' Funds			<u>(14 731)</u>		<u>(10 114)</u>

Continued.....

XD FLIGHT MANAGEMENT LIMITED

Balance Sheet as at 31 July 2003


.....Continued

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. Members have not required the company, under section 249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31 July 2003. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 July 2003, and of its profit/loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Approved by the board on: 7. Apr. 2004

Signed on its behalf by:-



R J Wright: Director/Secretary

The notes on pages 6 - 8 form part
of these Financial Statements

XD FLIGHT MANAGEMENT LIMITED
Notes to the financial statements
for the year ended 31 July 2003

1 Accounting Policies

1.1 Basis of preparation of financial statements

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 comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:-

Aircraft	5.5% per annum reducing balance basis
Equipment	25% per annum reducing balance basis

2 Operating Profit

	2003	2002
	£	£
The operating profit is stated after charging:-		
Depreciation of tangible fixed assets owned by the company	6 139	6 586

XD FLIGHT MANAGEMENT LIMITED
Notes to the financial statements
for the year ended 31 July 2003

3 Tangible Fixed Assets

Plant and Machinery etc

	£
Cost	
At 1 August 2002	113 565
At 31 July 2003	<u>113 565</u>
 Depreciation	
At 1 August 2002	6 586
Charge for the year	6 139
At 31 July 2003	<u>12 725</u>
 Net Book Value	
At 31 July 2003	<u>100 840</u>
At 31 July 2002	<u>106 979</u>

4 Debtors

	2003	2002
	£	£
Trade debtors	4 909	1 519

5 Creditors: amounts falling due within one year

	2003	2002
	£	£
Unsecured loans from directors (see note 8)	119 117	119 117
Trade creditors	1 780	434
Social security and other taxes	458	137
Other creditors	500	897
	<u>121 855</u>	<u>120 585</u>

XD FLIGHT MANAGEMENT LIMITED
Notes to the financial statements
for the year ended 31 July 2003

6 Share Capital

	2003	2002
	£	£
Authorised		
Ordinary shares of £1 each	1 000	1 000
Allotted, called up and fully paid		
Ordinary shares of £1 each	60	60

7 Contingent Liabilities

As indicated in note 8 below, unconvertible loans amounting to £26,117 are repayable at a premium of 5% per annum, at the earliest of specified events.

8 Related Party Transactions

The directors provided unsecured, interest-free loans to the company for the purchase of fixed assets and operating expenses, which are repayable at the earliest of specified events (see note 5). Loans outstanding throughout the year were as follows:-

	Convertible £	Unconvertible £	Total £
P N Atkin	16 000	4 000	20 000
J S Smith	38 000	-	38 000
R J Wright	39 000	22 117	61 117
	<u>93 000</u>	<u>26 117</u>	<u>119 117</u>

The convertible loans may be converted to ordinary shares at par at the discretion of the board of directors to maintain an adequate balance sheet.

The unconvertible loans are repayable at par, plus 5% per annum.