

BBA FINANCE NO.1

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2007

REGISTERED NUMBER 4331795

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10/10/2008

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COMPANIES HOUSE

DIRECTORS

A R Wood

M Hoad

Z W Stone (appointed 28/8/08)

SECRETARY

S M F Shaw (resigned 28/8/08)

REGISTERED OFFICE

7th Floor

20 Balderton Street

London

W1K 6TL

DIRECTORS' REPORT

The directors present their report together with the financial statements of the Company for the year ended 31 December 2007

BUSINESS REVIEW

The Company has not traded during the year

DIRECTORS

The directors who served during the year were

A R Wood

M Hoad

Z W Stone (appointed 28/8/08)

BALANCE SHEET

	2007 £	2006 £
CURRENT ASSETS		
Debtors Amounts owed by group undertakings	1	1
Total net assets	<u>1</u>	<u>1</u>

CAPITAL AND RESERVES**Authorised**

1,000 (2006 1000) ordinary shares of £1 each

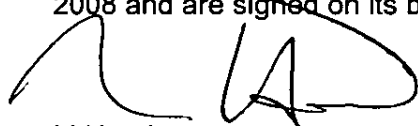
Allotted, called up and fully paid

1 (2006 1) ordinary share of £1 each

1	1
<u>1</u>	<u>1</u>

- 1 For the year ended 31 December 2007 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985
- 2 Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Companies Act 1985
- 3 The directors acknowledge their responsibility for
 - i) ensuring the company keeps accounting records which comply with section 221, and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company

These financial statements were approved by the Board of Directors on 9 October 2008 and are signed on its behalf by



M Hoad
Director

The accompanying notes are an integral part of this balance sheet

NOTES TO THE FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES**

The principal accounting policies are set out below and have been applied consistently throughout the current and preceding year

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

CASH FLOW STATEMENT

Under Financial Reporting Standard No 1(Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary

2. PROFIT AND LOSS ACCOUNT

The Company has not traded during the financial period, has received no income and incurred no expenditure, and consequently, has made neither a profit nor a loss

3. STAFF NUMBERS AND COSTS

There were no full time employees during the year other than the directors (2006 nil) and the aggregate payroll costs were £nil (2006 £nil) No director received any remuneration in the current or prior year

4. EVENTS AFTER THE BALANCE SHEET DATE

On 25 March 2008 BBA Finance No 1 acquired the entire share capital of BBA Finance Ireland No 1 Limited from BBA Luxembourg Finance Sarl, a fellow group undertaking, in exchange for the issue at par of 218,197,036 £1 ordinary shares, being equal to the net asset value of the acquired company at that date

In addition, the Company issued at par a further 392,623,256 ordinary £1 shares to BBA Luxembourg Finance No 2 Limited on 26 March 2008

To facilitate these issues, on 25 March 2008 the Company increased its authorised ordinary share capital from 1,000 to 650,001,000 ordinary £1 shares

5. ULTIMATE PARENT COMPANY

The ultimate parent company is BBA Aviation plc, which is registered in England and Wales BBA Aviation plc is the only company which prepares group accounts incorporating the financial statements of the Company These group accounts are available to the public from the Company Secretary of BBA Aviation plc at 20 Balderton Street, London W1K 6TL