

Company Registration number 4725274

FLIGHTTROPIC LIMITED

Unaudited Financial Statements

For the period ended 30 April 2004

**Jacob Cavenagh & Skeet
Chartered Accountants
Acorn House
2 Greenhill Crescent
Watford
Herts WD18 8AH**



FLIGHTTROPIC LIMITED

Financial statements for the period ended 30 April 2004

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FLIGHTTROPIC LIMITED

Company information

Directors	N J Johnston S M Johnston
Secretary	N J Johnston & S M Johnston
Registered office	5 Robin Hood Lane Sutton Surrey SM1 2SW
Registered number	4725274
Accountants	Jacob Cavenagh & Skeet Acorn House 2 Greenhill Crescent Watford Herts WD18 8AH

FLIGHTTROPIC LIMITED

Directors' report for the period ended 30 April 2004

The directors present their report and the financial statements of the company for the period ended 30 April 2004. The company was incorporated on 7 April 2003, and purchased two properties for rental on 3 July 2003.

Principal activity

The principal activity of the company is the letting of property.

Directors

The directors who served during the period were:

N J Johnston (appointed 23 April 2003)

S M Johnston (appointed 23 April 2003)

Instant Companies Limited (appointed 7 April 2003; resigned 23 April 2003)

Directors' interests

The beneficial interests of the directors and their families in the share capital of the company were as follows:

	<u>30 April 2004</u>
Ordinary shares of £1 each	
N J Johnston	1
S M Johnston	-
Instant Companies Limited	-

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 affairs of the company as at the end of the financial year 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;
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act. It is also their responsibility to safeguard the assets of the company and hence to take reasonable steps to prevent and detect fraud and other irregularities.

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

Signed on behalf of the board



N J JOHNSTON

Director

Approved by the board of directors on: 3 FEBRUARY 2005

FLIGHTTROPIC LIMITED

Accountants' Report to the Board of Directors on the Unaudited Financial Statements

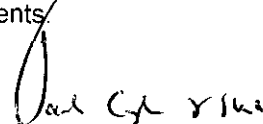
In accordance with the engagement letter dated 28 January 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company set out on pages 4 to 8 from the accounting records and information and explanations you have given to us.

This report is made to the Company's board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the period ended 30 April 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Jacob Cavenagh & Skeet
Chartered Accountants

Acorn House
2 Greenhill Crescent
Watford
Herts
WD18 8AH

Date: 4 FEBRUARY 2005

FLIGHTTROPIC LIMITED

Profit and loss account for the period ended 30 April 2004

	<u>Notes</u>	£	<u>2004</u> £
Rental income			74,107
Administrative expenses		<u>9,534</u>	<u>9,534</u>
Operating profit			64,573
Other interest receivable and similar income			<u>3,879</u>
Interest payable and similar charges			<u>(33,741)</u>
Profit on ordinary activities before taxation			34,711
Taxation on profit on ordinary activities	3		<u>5,869</u>
Profit for the financial period			28,842
Dividends			-
Retained profit for the period			<u>28,842</u>

The notes on pages 6 to 8 form part of these financial statements.

FLIGHTTROPIC LIMITED

Balance sheet at 30 April 2004

	<u>Notes</u>	£	<u>2004</u> £
Fixed assets			
Investments	4		1,092,432
Current assets			
Debtors	5	4,859	
Cash at bank and in hand		<u>208,217</u>	
		213,076	
Creditors: amounts falling due within one year	6	<u>(43,665)</u>	
Net current assets			<u>169,411</u>
Total assets less current liabilities			<u>1,261,843</u>
Creditors: amounts falling due after more than one year	7		<u>(1,233,000)</u>
			<u>28,843</u>
Capital and reserves			
Called up share capital	8		1
Profit and loss account	9		<u>28,842</u>
Shareholders' funds			<u>28,843</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The directors are of the opinion that the company is entitled to the exemptions from audit conferred by section 249A(1) of the Companies Act 1985 for the period ended 30 April 2004.

The directors confirm that no member or members have requested an audit pursuant to subsection 2 of section 249B of the Companies Act 1985.

The directors are responsible for:-

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at 30 April 2004 and of its results for the period then ended in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on 3 (thirty) Dec and signed on its behalf.

Nicholas Johnston

N J JOHNSTON - Director

The notes on pages 6 to 8 form part of these financial statements.

FLIGHTTROPIC LIMITED

Notes to the financial statements for the period ended 30 April 2004

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting, except for the revaluation of investment assets, and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

b) Turnover

Turnover represents net invoiced rents and recharged costs, excluding value added tax.

c) Deferred taxation

Deferred taxation is provided under the liability method in respect of all material timing differences between the profits as computed for taxation purposes and the profits as stated in the financial statements.

d) Investments

Fixed asset investments represent rental properties held by the company. In accordance with the *Financial Reporting Standard for Smaller Entities* these are included in the balance sheet at open market value and are not subject to periodic charges for depreciation.

2 Directors' emoluments

	<u>2004</u> £
Emoluments	<u>6,000</u>

3 Tax on profit on ordinary activities

	<u>2004</u> £
United Kingdom corporation tax	<u>5,869</u>

4 Investments

	<i>Unlisted investments</i> £	<i>Total</i> £
Cost and market value:		
Additions	<u>1,092,432</u>	<u>1,092,432</u>

Rental properties

In the opinion of the directors, the carrying value of the investment properties is not materially different from the open market value at the balance sheet date.

FLIGHTTROPIC LIMITED

Notes to the financial statements for the period ended 30 April 2004 (continued)

5 Debtors

	<u>2004</u> £
Other debtors	<u>4,859</u>

6 Creditors: amounts falling due within one year

	<u>2004</u> £
Other creditors	21,749
Corporation tax	5,869
Other tax and social security	880
Deferred income	<u>15,167</u>
	<u>43,665</u>

7 Creditors: amounts falling due after more than one year

	<u>2004</u> £
Mortgage	825,000
Other creditors	<u>408,000</u>
	<u>1,233,000</u>

Amounts repayable by instalments some of which fall due after five years

Mortgage	
Total amount	825,000
Instalments due after five years	765,910

The mortgage is repayable over 25 years, with no capital repayments in the first three years. Interest is charged at a rate of 1.65% over the three month LIBOR.

The mortgage is secured on the two investment properties; all fixtures and fittings attached thereto; and by way of a specific charge over the income arising from the properties.

8 Called up share capital

	<u>2004</u> £
Authorised	
Equity shares:	
Ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid	
Equity shares:	
Ordinary shares of £1 each	<u>1</u>

During the year 1 ordinary share of £1 was issued at par.

FLIGHTTROPIC LIMITED

Notes to the financial statements for the period ended 30 April 2004 (continued)

9 Reserves

	<i>Profit and loss account £</i>
Retained profit for the period	<u>28,842</u>

10 Related parties

During the period the director N J Johnston made a loan to the company. The balance owing to the director at the period end was £407,999.

11 Ultimate controlling party

N J Johnston is considered to be the ultimate controlling party by virtue of his 100% interest in the issued share capital of the company.

FLIGHTTROPIC LIMITED

Profit and loss account for the period ended 30 April 2004

	£	<u>2004</u> £
Rents receivable		74,107
Administration costs		
Emoluments for services as directors	6,000	
Accountancy fees	1,500	
Management charges	2,000	
	<u>9,500</u>	
Financial costs		
Mortgage interest	33,741	
Bank charges and interest	34	
	<u>33,775</u>	
Total expenses		<u>43,275</u>
		30,832
Other income		
Interest receivable		<u>3,879</u>
Net profit before taxation		<u>34,711</u>