

Registered no: 322249



Airwork

LIMITED

Directors' Report and Financial Statements

for the year ended 31 January 1995



Airwork Limited

Annual Report

for the year ended 31 January 1995

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Airwork Limited

Directors' Report

for the year ended 31 January 1995

The directors present their report and the audited financial statements for the year ended 31 January 1995.

PRINCIPAL ACTIVITIES

The group provides technical support, procurement services and training for the aviation industry, airport management and operation and aviation-related equipment.

REVIEW OF BUSINESS

On 5 April 1994 contracts to provide support services to the UK MOD were novated in favour of Short Brothers Plc and assets and liabilities related to those contracts were transferred to them at their net book value. On 6 April 1994 UK based employees became employees of Short Brothers Plc.

The group's business progressed satisfactorily during the year under review. Turnover declined to £32,386,000 from £46,140,000 for the thirteen months ended 31 January 1994, resulting from the transfer of UK MOD business referred to above, however operating profit fell only to £4,135,000 from £4,856,000 in 1994. This reflects the continuing performance of the Middle East business, including the results of new contracts negotiated at the end of last year.

DIVIDENDS AND TRANSFERS TO RESERVES

No dividends are proposed in respect of the year ended 31 January 1995. The profit for the financial year, £2,181,000, will be transferred to reserves.

CHANGES IN FIXED ASSETS

The movement of fixed assets during the year are as set out in notes 11 and 12 to the financial statements.

MARKET VALUE OF LAND AND BUILDINGS

The book value of the group's freehold land and buildings is £219,000. In the opinion of the directors, the current market value of such land and buildings is considered to be in excess of £750,000.

DIRECTORS

The present directors of the company are listed on page 1. Other than as noted, all held office throughout the year under review. No other persons held office as a director at any time during that period.

The articles of association of the company do not require the directors to retire by rotation.

DIRECTORS' INTERESTS IN THE SHARES OF THE COMPANY

None of the directors had any beneficial interest in the shares of the company or the group at any time during the year under review.

Airwork Limited

Directors' Report

for the year ended 31 January 1995 - continued

EMPLOYEES

Disabled Persons

The group's policy in relation to the employment of disabled persons is:

- (a) In its employee recruitment practices, full consideration is given to employment applications received from disabled persons. Candidates are selected and appointed on the basis of their ability to perform the work in question. Where disabled persons have the aptitudes and abilities necessary for the work, sympathetic consideration is given to their applications. Where necessary, and where possible, special training will be made available to facilitate engagement of the disabled.
- (b) If an employee becomes disabled whilst employed by the group, arrangements will be made wherever possible for their retraining in order to perform a job identified as appropriate to the aptitudes and abilities of the individuals concerned.
- (c) Encouragement is given in the training, career development and promotion of all employees according to opportunities available, organisational requirements and individual aptitude and abilities. This policy includes disabled employees for whom any further necessary training is arranged taking account of their particular needs.

Employee Involvement

The group encourages the involvement of employees in its affairs by regular briefings from management and through consultation with representatives of trade unions.

AUDITOR

Pursuant to section 386 of the Companies Act, 1985, the obligation to appoint an auditor annually was dispensed with. Ernst & Young, having indicated their willingness to do so, will remain as the company's auditor until further notice.

By order of the board



R Milnes
Secretary

28 July 1995

Airwork Limited

Directors' Responsibilities and Auditors' Report

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the group, and of the profit or loss of the group 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;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS TO THE MEMBERS OF AIRWORK LIMITED

We have audited the financial statements on pages 5 to 18 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 7 to 8.

Respective responsibilities of directors and auditors

As described above, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

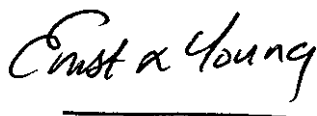
Basis of opinion

We conducted our audit in accordance with 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 group's circumstances, consistently applied and adequately disclosed.

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 a 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 and of the group as at 31 January 1995 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young

Chartered Accountants and Registered Auditor
Southampton

11 August 1995

Airwork Limited

Consolidated Profit and Loss Account for the year ended 31 January 1995

	Notes	1995 £'000	1994 (13 months) Restated £'000
Turnover			
continuing operations		28,190	29,711
discontinued operations		4,196	16,429
		<hr/>	<hr/>
	2	32,386	46,140
Changes in stocks of finished goods and work in progress		(94)	(852)
Other operating income	3	131	1,245
		<hr/>	<hr/>
		32,423	46,533
		<hr/>	<hr/>
Raw materials and consumables		2,815	2,635
Other external charges		2,331	3,892
Staff costs	5	18,816	32,309
Depreciation of tangible fixed assets	11	154	436
Other operating charges		4,172	2,405
		<hr/>	<hr/>
		28,288	41,677
		<hr/>	<hr/>
Operating profit			
continuing operations		3,986	6,861
discontinued operations		149	(2,005)
		<hr/>	<hr/>
		4,135	4,856
		<hr/>	<hr/>
Share of profit of associated undertakings		1,262	495
Investment income	6	-	273
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2, 7	5,397	5,624
Taxation	9	3,216	4,000
		<hr/>	<hr/>
Profit for the financial year / period	19	2,181	1,624
Dividends		-	12,500
		<hr/>	<hr/>
Balance transferred to reserves		2,181	(10,876)
		<hr/> <hr/>	<hr/> <hr/>
Statement of Total Recognised Gains and Losses			
Profit for the financial year / period		2,181	1,624
Exchange adjustments		-	19
		<hr/>	<hr/>
		2,181	1,643
		<hr/> <hr/>	<hr/> <hr/>

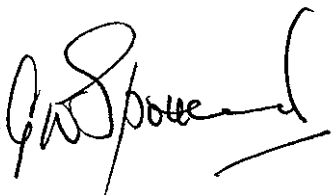
Airwork Limited

Balance Sheets at 31 January 1995

	Notes	<u>Group</u>		<u>Company</u>	
		1995 £'000	1994 £'000	1995 £'000	1994 £'000
Fixed assets					
Tangible assets	11	753	1,303	753	1,303
Investments	12	1,974	957	25	25
		<u>2,727</u>	<u>2,260</u>	<u>778</u>	<u>1,328</u>
Current assets					
Stocks	13	217	311	217	311
Debtors	14	11,687	16,118	11,687	16,118
Cash at bank and in hand		561	1,366	561	1,366
		<u>12,465</u>	<u>17,795</u>	<u>12,465</u>	<u>17,795</u>
Creditors: amounts falling due within one year	15	(10,208)	(15,759)	(10,208)	(15,759)
		<u>2,257</u>	<u>2,036</u>	<u>2,257</u>	<u>2,036</u>
Net current assets					
		<u>4,984</u>	<u>4,296</u>	<u>3,035</u>	<u>3,364</u>
Total assets less current liabilities					
Provisions for liabilities and charges	16	(726)	(2,219)	(726)	(2,219)
		<u>4,258</u>	<u>2,077</u>	<u>2,309</u>	<u>1,145</u>
Net assets					
		<u>4,258</u>	<u>2,077</u>	<u>2,309</u>	<u>1,145</u>
Capital and reserves					
Called-up share capital	18	20	20	20	20
Profit and loss account	19	4,238	2,057	2,289	1,125
		<u>4,258</u>	<u>2,077</u>	<u>2,309</u>	<u>1,145</u>

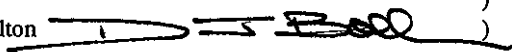
The financial statements on pages 5 to 18 were approved by the board of directors on *28 July* 1995 and were signed on its behalf by:

J D Spottiswood



Directors

D J Bolton



Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently unless otherwise stated, is set out below.

Basis of accounting

The group prepares its financial statements on the historical cost basis of accounting.

The group has utilised the exemptions provided under FRS1 and has not prepared a cash flow statement. A cash flow statement is included in the financial statements of the UK parent company.

Airwork Limited has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements.

The group's shares of post acquisition profits and reserves of principal associated companies is included in the financial statements.

Turnover

Long term contracts

Sales and income on long term contracts which represent a significant proportion of the group's sales, are recognised in accordance with the percentage of completion method of accounting. Degree of completion is determined by comparing the cost incurred to date with the total cost anticipated for the entire contract. The effect of changes to total income for each contract is recognised in the period in which the determination is made and included in contract provisions in the balance sheet.

Other

Turnover represents the value of goods and services, excluding value added tax, invoiced to outside customers during the period, less returns and before cash discounts and commissions.

Depreciation of tangible fixed assets

Depreciation is calculated to write off the cost of fixed assets in equal monthly instalments at the following annual rates:

Freehold land	- nil
Freehold buildings	- 4% to 15%
Short leasehold buildings	- Over the unexpired portion of the lease
Fixtures, fittings, tools, equipment and motor vehicles	- 10% to 33.33%

Fixed asset investments

Fixed asset investments are stated at cost unless there has been a permanent diminution in value in which case they are written down.

Associated undertakings are those in which the company's interest is either effectively that of a partner in a consortium or is not less than 20% of the equity voting capital and over which the company is not in a position to exercise dominant influence. Such companies are also related companies as defined in the Companies Act 1985.

Airwork Limited

Notes to the Financial Statements

for the year ended 31 January 1995 - continued

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value with cost being determined either on the average cost or on the first-in-first-out basis, including, where applicable, appropriate overheads.

Long-term contracts

Losses on long term contracts are provided for immediately they are foreseen and are included in contract provisions in the balance sheet.

Deferred taxation

Deferred taxation is provided using the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes to the extent that it is probable that a liability will crystallise.

Deferred taxation assets are carried forward only to the extent that they are expected to be recoverable without replacement by equivalent assets balances.

Translation of foreign currencies

Transactions during the period in foreign currencies are translated into sterling using the temporal method. Under this method, monetary items in the balance sheet are translated at the rates of exchange in effect at the year end and non-monetary items are translated at historical exchange rates. Revenue and expenses (other than depreciation, which is translated at the same rates as the related fixed assets) are translated at the rates in effect on the transaction dates or at the average rates of exchange for the year.

Previously, investments were stated at the rates of exchange ruling at the balance sheet date and profits and losses on exchange arising from the translation of opening net assets of overseas branches were taken direct to reserves. No significant restatement of prior year results is required as a consequence of this change in accounting policy.

Finance and operating leases

Costs relating to operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

The cost of assets held under finance leases is capitalised within the appropriate tangible fixed asset heading and depreciation is provided in accordance with the group's accounting policy for the category of asset concerned. The interest cost is charged to the profit and loss account over the term of the lease and the capital element of future lease payments is included in creditors.

Pension costs

Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the group benefits from the employees' service.

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

2. Turnover and profit on ordinary activities before taxation

	Turnover		Profit on ordinary activities before taxation	
	1995	1994	1995	1994
	£'000	<i>Restated</i> £'000	£'000	<i>Restated</i> £'000
Class of business:				
Transport and aviation support	28,190	29,711	5,297	6,856
Discontinued operations	4,196	16,429	149	(2,005)
	<u>32,386</u>	<u>46,140</u>	<u>5,446</u>	<u>4,851</u>
Net interest (payable) / receivable	-	-	(49)	773
	<u>32,386</u>	<u>46,140</u>	<u>5,397</u>	<u>5,624</u>
	1995	1994	1995	1994
	£'000	<i>Restated</i> £'000	£'000	<i>Restated</i> £'000
Middle East	28,004	29,100	5,296	6,764
Africa	166	343	1	47
Far East	4	134	-	38
Europe	15	93	-	4
America	1	41	-	3
Discontinued operations	4,196	16,429	149	(2,005)
	<u>32,386</u>	<u>46,140</u>	<u>5,397</u>	<u>5,624</u>

Turnover includes the fee on sales of spares for the logistics supply business. Previously turnover included both the fee and the purchase cost for each transaction. This change brings the group's policy into line with that of its UK parent and the directors believe the new approach more fairly presents the substance of the transactions. In the year purchases amounted to £6,446,000 (1994 - £7,808,000). Turnover for 1994 has been restated on this basis.

3. Other operating income

	1995	1994
	£'000	£'000
Rent receivable	80	186
Interest receivable - group	-	742
- other	23	60
Recruitment fees	20	138
Profit on sale of investments	-	28
Exchange gains	1	46
Other	7	45
	<u>131</u>	<u>1,245</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

4. Directors' emoluments

The remuneration paid to the directors of Airwork Limited was:

	1995	1994
	£	£
Fees	-	-
Other emoluments (including pension contributions and benefits in kind)	44,876	327,714
Pension scheme contributions	7,514	14,954
Compensation for loss of office	30,000	60,000
	<u>82,390</u>	<u>402,668</u>
Fees and other emoluments include amounts paid (excluding pension contributions) to the highest paid director:	<u>14,242</u>	<u>85,734</u>

The number of directors (including the highest paid director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	1995	1994
	Number	Number
£nil to £5,000	6	8
£5,001 to £10,000	1	-
£10,001 to £15,000	3	-
£35,001 to £40,000	-	1
£55,001 to £60,000	-	1
£60,001 to £65,000	-	1
£65,001 to £70,000	-	1
£70,001 to £75,000	-	1
£85,001 to £90,000	-	1

From April 1994, directors' emoluments were borne entirely by the parent company.

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

5. Employee information

The average weekly number of persons (including executive directors) employed during the period was:

	1995 Number	1994 Number
Management and administration	8	97
Production, distribution and sales	1,349	2,261
	<u>1,357</u>	<u>2,358</u>
	1995 £'000	1994 £'000
Staff costs (for the above persons) amounted to:		
Wages and salaries	18,195	30,539
Social security costs	465	1,463
Other pension costs (see note 17)	156	307
	<u>18,816</u>	<u>32,309</u>

6. Investment income

	1995 £'000	1994 £'000
Dividends received from subsidiaries	-	273
	<u>-</u>	<u>273</u>

7. Profit on ordinary activities before taxation

	1995 £'000	1994 £'000
Profit on ordinary activities before taxation is stated after crediting:		
Rent receivable	80	186
Profit on disposal of fixed assets	7	4
Profit on disposal of trade investment	-	28
	<u>87</u>	<u>218</u>
and after charging:		
Depreciation charge for the year:		
Tangible owned fixed assets	153	427
Tangible leased assets	1	9
Auditors' remuneration:		
Audit fees	16	53
Taxation & accountancy	2	8
Hire of plant and machinery - operating leases	20	126
Interest payable (note 8)	72	29
	<u>287</u>	<u>670</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

8. Interest payable

	1995 £'000	1994 £'000
Interest on forward currency dealings	72	-
Paid to associated company	-	26
Finance lease interest	-	3
	<u>72</u>	<u>29</u>

9. Taxation

	1995 £'000	1994 £'000
United Kingdom corporation tax at 33% (1994 - 33%):		
Current	1,537	2,197
Deferred	-	(750)
Double taxation relief	(1,537)	(1,202)
Overseas taxation	2,970	3,466
(Over)/under-provision in respect of prior years:		
UK corporation tax	1	(7)
Overseas taxation	-	10
Share of associated undertakings' taxation	245	286
	<u>3,216</u>	<u>4,000</u>

10. Net assets by geographical location

	<u>Group</u>		<u>Company</u>	
	1995 £'000	1994 £'000	1995 £'000	1994 £'000
United Kingdom	9,144	11,360	7,195	10,428
Middle East	(4,862)	(9,228)	(4,862)	(9,228)
Africa	(39)	(55)	(39)	(55)
Far East	14	-	14	-
Europe	1	-	1	-
	<u>4,258</u>	<u>2,077</u>	<u>2,309</u>	<u>1,145</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

11. Tangible fixed assets

Group and Company	Land and buildings £'000	Fixtures, fittings, tools and equipment £'000	Total £'000
Cost:			
At 1 February 1994	1,671	2,126	3,797
Additions	-	432	432
Inter-group disposals	-	(2,084)	(2,084)
At 31 January 1995	<u>1,671</u>	<u>474</u>	<u>2,145</u>
Depreciation:			
At 1 February 1994	941	1,553	2,494
Charge for the year	70	84	154
Inter-group disposals	-	(1,256)	(1,256)
At 31 January 1995	<u>1,011</u>	<u>381</u>	<u>1,392</u>
Net book value:			
At 31 January 1995	<u>660</u>	<u>93</u>	<u>753</u>
At 31 January 1994	<u>730</u>	<u>573</u>	<u>1,303</u>

There are no amounts included in the net book value of fixtures, fittings, tools and equipment in respect of leased assets (1994 - £13,000).

The net book value of land and buildings comprises:

	1995 £'000	1994 £'000
Freehold land and buildings	219	248
Leases with 50 years or more unexpired	329	349
Leases with less than 50 years unexpired	112	133
	<u>660</u>	<u>730</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

12. Fixed asset investments

	Associated undertakings £'000	Subsidiaries £'000	Total £'000
Group			
Cost or valuation:			
At 1 February 1994	955	2	957
Share of profit for the current year	1,004	-	1,004
Prior year taxation overprovided	13	-	13
	<hr/>	<hr/>	<hr/>
At 31 January 1995	1,972	2	1,974
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Company			
At cost	23	2	25
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Name of undertaking	Principal activity	Country of incorporation or registration	Description of shares held	Proportion of nominal value of shares held
Interests in group undertakings				
Airwork (Investments) Limited	Investment holding	England & Wales	ordinary	100%
Interests in associated undertakings				
Technical Support Services (Unst) Limited	Airport management	Scotland	ordinary	49%
Airwork Advanced Group Llc	Maintenance & repair of aircraft	Abu Dhabi	ordinary	49%

Other significant interests

Airwork Limited is an equal partner in a joint venture, Airwork Vinnell, to undertake certain military support tasks in Oman. The principal place of business of Airwork Vinnell is Seeb Airport, Oman.

The group and associated undertakings referred to above have financial year ends of 31 December. Management accounts of these undertakings at 31 January 1995 have been used in preparing the group financial statements.

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

13. Stocks

	1995	1994
Group and company	£'000	£'000
Raw materials and consumables	6	75
Work in progress	211	234
Finished goods and goods for resale	-	2
	<u>217</u>	<u>311</u>

14. Debtors

	1995	1994
Group and company	£'000	£'000
Amounts falling due within one year:		
Trade debtors	1,855	2,133
Amounts owed by group undertakings	9,057	12,405
Amounts owed by associated undertakings	49	85
Amounts recoverable on contracts	18	178
Other debtors	578	22
Prepayments and accrued income	130	1,295
	<u>11,687</u>	<u>16,118</u>

15. Creditors: amounts falling due within one year

	1995	1994
Group and company	£'000	£'000
Payments received on account	634	844
Obligations under finance leases	-	12
Trade creditors	1,008	1,344
Amounts owed to group undertakings	729	4
Amounts owed to associated undertakings	2,292	5,784
Corporation tax	314	995
Overseas taxation	3,049	3,449
Other taxation and social security payable	57	346
Other creditors	2,125	2,981
	<u>10,208</u>	<u>15,759</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

16. Provisions for liabilities and charges

Group and company	Deferred taxation £'000	Contract provisions £'000	Total £'000
At 1 February 1994	-	2,219	2,219
Arising during the year	-	256	256
Exchange differences realised	-	(4)	(4)
Transferred to Short Brothers Plc	-	(1,585)	(1,585)
Utilised in the year	-	(160)	(160)
	<u>-</u>	<u>726</u>	<u>726</u>
At 31 January 1995	<u>-</u>	<u>726</u>	<u>726</u>

Deferred taxation

Deferred taxation provided in the financial statements and the total potential deferred tax asset, net of amounts for which provision has been made, are as follows:

	Amount provided		Total potential asset	
	1995 £'000	1994 £'000	1995 £'000	1994 £'000
Tax effect of timing differences because of:				
Excess of depreciation over tax allowances	-	-	336	556
Provisions and other timing differences	-	-	228	659
	<u>-</u>	<u>-</u>	<u>564</u>	<u>1,215</u>
	<u>-</u>	<u>-</u>	<u>564</u>	<u>1,215</u>

17. Pension costs

The majority of the company's employees are eligible for membership of the Short Brothers Pension Scheme. Details of that scheme are provided in the financial statements of the parent company, Short Brothers Plc.

18. Called-up share capital

	1995 £'000	1994 £'000
Authorised 20,000 ordinary shares of £1 each	<u>20</u>	<u>20</u>
Allotted, called up and fully paid 20,000 ordinary shares of £1 each	<u>20</u>	<u>20</u>

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

19. Reconciliation of shareholders' funds and movements on reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
Group			
At 1 February 1994	20	2,057	2,077
Profit for the year		2,181	2,181
	<hr/>	<hr/>	<hr/>
At 31 January 1995	20	4,238	4,258
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Company			
At 1 February 1994	20	1,125	1,145
Profit for the year		1,164	1,164
	<hr/>	<hr/>	<hr/>
At 31 January 1995	20	2,289	2,309
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

20. Capital commitments

	1995 £'000	1994 £'000
Capital expenditure contracted for but not provided for in the financial statements	-	445
	<hr/>	<hr/>
Capital expenditure authorised by the directors but not yet contracted for	10	13
	<hr/> <hr/>	<hr/> <hr/>

21. Contingent liabilities

Under the terms of an agreement dated 27 August 1993 the company has guaranteed the level of return which will be earned by approved enterprises in the United Arab Emirates. The agreement guarantees a return of 2,258,000 Dirhams (approximately £407,000) in the first three years of the contract, 4,516,000 Dirhams (approximately £814,000) by the end of the fifth year of the contract, and 11,291,000 Dirhams (approximately £2,037,000) by the end of the agreement on 28 May 2001. In the event that the return earned falls below those specified the company will be required to make good the shortfall.

Airwork Limited

Notes to the Financial Statements for the year ended 31 January 1995 - continued

22. Financial commitments

At 31 January 1995 the group had annual commitments under non-cancellable operating leases as follows:

	1995		1994	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expiring within one year	48	8	17	23
Expiring between two and five years inclusive	84	14	79	65
Expiring in over five years	1	-	1	-
	<u>133</u>	<u>22</u>	<u>97</u>	<u>88</u>

23. Parent undertaking

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Bombardier Inc, incorporated in Canada, and the parent undertaking of the smallest such group is Short Brothers Plc, registered in Northern Ireland. At 31 January 1995, Bombardier Inc was the company's ultimate parent undertaking.

24. Transfer of business to Short Brothers Plc

On 5 April 1994 contracts to provide support services to the UK MOD were novated in favour of Short Brothers Plc and assets and liabilities related to those contracts were transferred to that company at their net book value. On 6 April 1994 UK based employees of the company became employees of Short Brothers Plc.