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The RHP

PARTNERSHIP

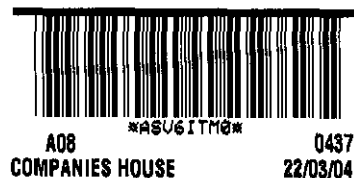
Church Farm (Sparham) Limited

Financial Statements

For the year ended

30 September 2002

Company Registration Number 605889



Church Farm (Sparham) Limited

Financial Statements

Year ended 30 September 2002

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Church Farm (Sparham) Limited

Officers and Professional Advisers

The director	DJ Sayer
Company secretary	Mrs MA Sayer
Registered office	Church Farm Sparham Norfolk NR9 5PR
Accountants	The RHP Partnership Chartered Accountants 87 Yarmouth Road Norwich Norfolk NR7 0HF
Bankers	HSBC 18 London Street Norwich Norfolk NR2 1LG

Church Farm (Sparham) Limited

The Director's Report

Year ended 30 September 2002

The director presents his report and the unaudited financial statements of the company for the year ended 30 September 2002.

Principal Activities

The principal activities of the company during the year continued to be that of arable farming and the running of cross-country equestrian events.

The Director and His Interests in Shares of the Company

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 30 September 2002	At 1 October 2001
DJ Sayer	<u>15,000</u>	<u>15,000</u>

Small Company Provisions

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

Signed by



DJ SAYER
Director

Approved by the director on14/3/04.....

Church Farm (Sparham) Limited

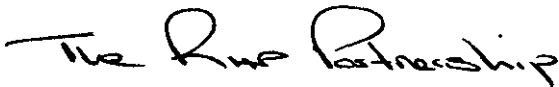
Accountants' Report to the Director

Year ended 30 September 2002

As described on the balance sheet, the director of the company is responsible for the preparation of the financial statements for the year ended 30 September 2002, set out on pages 4 to 11.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



THE RHP PARTNERSHIP

Chartered Accountants

87 Yarmouth Road, Norwich, NR7 0HF

19 March 2004

Church Farm (Sparham) Limited

Profit and Loss Account

Year ended 30 September 2002

	Note	2002 £	2001 £
Turnover		211,339	236,610
Cost of sales		142,168	161,319
Gross Profit		69,171	75,291
Administrative expenses		44,258	37,436
Other operating income		(2,385)	(5,052)
Operating Profit	2	27,298	42,907
Interest payable		26,280	36,324
Profit on Ordinary Activities Before Taxation		1,018	6,583
Tax on profit on ordinary activities		-	-
Retained Profit for the Financial Year		1,018	6,583
Balance brought forward		(392,922)	(399,505)
Balance carried forward		(391,904)	(392,922)

The notes on pages 7 to 11 form part of these financial statements.

Church Farm (Sparham) Limited

Balance Sheet

30 September 2002

	Note	2002 £	£	2001 £	£
Fixed Assets					
Tangible assets	3		287,764		271,673
Current Assets					
Stocks		35,337		25,112	
Debtors due within one year	4	38,373		40,456	
Cash at bank		6,268		2,336	
		<u>79,978</u>		<u>67,904</u>	
Creditors: Amounts falling due within one year	5	<u>425,844</u>		<u>386,725</u>	
Net Current Liabilities			(345,866)		(318,821)
Total Assets Less Current Liabilities			<u>(58,102)</u>		<u>(47,148)</u>
Creditors: Amounts falling due after more than one year	6		229,316		241,288
			<u>(287,418)</u>		<u>(288,436)</u>

The Balance sheet continues on the following page.
The notes on pages 7 to 11 form part of these financial statements.

Church Farm (Sparham) Limited

Balance Sheet (continued)

30 September 2002

	Note	2002 £	2001 £
Capital and Reserves			
Called-up equity share capital	9	15,000	15,000
Revaluation reserve	10	89,486	89,486
Profit and loss account		(391,904)	(392,922)
Deficiency		<u>(287,418)</u>	<u>(288,436)</u>


The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on ...10/3/04....


DJ SAYER
Director

The notes on pages 7 to 11 form part of these financial statements.

Church Farm (Sparham) Limited

Notes to the Financial Statements

Year ended 30 September 2002

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Going concern

During the year 30 September 2003 the company made a profit of £1,946 and at that date had net liabilities of £286,472. The company meets its day-to-day working capital requirement through overdraft and loan facilities, which are repayable on demand, and the directors' loan account.

The company's bankers have renewed their terms of contract indicating their intention to continue supporting the company. The director therefore considers that it is appropriate to prepare the financial statements on a going concern basis.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant & Machinery	- 15% reducing balance
Cross country course	- 10% reducing balance
Equestrian buildings and equipment	- 5% reducing balance
Drainage and structural alterations	- 10% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Church Farm (Sparham) Limited

Notes to the Financial Statements

Year ended 30 September 2002

1. Accounting Policies *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating Profit

Operating profit is stated after charging:

	2002 £	2001 £
Director's emoluments	~	~
Depreciation of owned fixed assets	<u>13,284</u>	<u>12,069</u>

Church Farm (Sparham) Limited

Notes to the Financial Statements

Year ended 30 September 2002

3. Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Cross country course £	Equestrian buildings and equipment £	Drainage and structural alterations £	Total £
Cost or Valuation						
At 1 Oct 2001	142,970	123,074	22,997	115,304	23,502	427,847
Additions	14,222	6,263	7,767	1,123	-	29,375
At 30 Sep 2002	<u>157,192</u>	<u>129,337</u>	<u>30,764</u>	<u>116,427</u>	<u>23,502</u>	<u>457,222</u>
Depreciation						
At 1 Oct 2001	4,526	108,628	10,259	13,696	19,065	156,174
Charge for the year	2,547	3,106	2,050	5,137	444	13,284
At 30 Sep 2002	<u>7,073</u>	<u>111,734</u>	<u>12,309</u>	<u>18,833</u>	<u>19,509</u>	<u>169,458</u>
Net Book Value						
At 30 Sep 2002	<u>150,119</u>	<u>17,603</u>	<u>18,455</u>	<u>97,594</u>	<u>3,993</u>	<u>287,764</u>
At 30 Sep 2001	<u>138,444</u>	<u>14,446</u>	<u>12,738</u>	<u>101,608</u>	<u>4,437</u>	<u>271,673</u>

The freehold land and buildings were revalued on 30 September 2000 for £89,486.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2002 £	2001 £
Net book value at end of year	<u>89,536</u>	<u>90,806</u>
Historical cost	<u>3,860</u>	<u>3,860</u>
Depreciation:		
At 1 Oct 2001	35	17
Charge for year	17	18
At 30 Sep 2002	<u>52</u>	<u>35</u>
Net historical cost value:		
At 30 Sep 2002	<u>3,808</u>	<u>3,825</u>
At 1 Oct 2001	<u>3,825</u>	<u>3,843</u>

Church Farm (Sparham) Limited

Notes to the Financial Statements

Year ended 30 September 2002

4. Debtors

	2002	2001
	£	£
Trade debtors	38,222	40,321
Other debtors	151	135
	<u>38,373</u>	<u>40,456</u>

5. Creditors: Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	396,856	357,609
Trade creditors	12,261	16,180
Taxation	9,850	4,327
Other creditors	6,877	8,609
	<u>425,844</u>	<u>386,725</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>399,192</u>	<u>357,609</u>

6. Creditors: Amounts falling due after more than one year

	2002	2001
	£	£
Other creditors	<u>229,316</u>	<u>241,288</u>

7. Deferred Taxation

The elements of deferred taxation, which result in a nil balance at the end of the year, together with details of other amounts not provided for, are as follows

	2002		2001	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	67,022	-	-	2,473
Tax losses available	(67,022)	(147,735)	-	(2,473)
	<u>-</u>	<u>(147,735)</u>	<u>-</u>	<u>-</u>

Church Farm (Sparham) Limited

Notes to the Financial Statements

Year ended 30 September 2002

8. Related Party Transactions

The company was under the control of Mr DJ Sayer throughout the current and previous year. Mr DJ Sayer is the managing director and sole shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under FRSSE.

9. Share Capital

Authorised share capital:

	2002	2001
	£	£
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>

10. Reserves

	Revaluation reserve £
At 1 October 2001 & 30 September 2002	<u>89,486</u>