

**Report of the Director and
Financial Statements
for the Year Ended 31 December 2002
for
The Terpening Partnership Ltd**



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The Terpening Partnership Ltd

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for the Year Ended 31 December 2002**

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The Terpening Partnership Ltd

**Company Information
for the Year Ended 31 December 2002**

Director: P M Terpening

Secretary: J M Terpening

Registered Office: Church House
Church Road
Frating
Colchester
CO7 7HE

Registered Number: 02772098 (England and Wales)

The Terpening Partnership Ltd

**Report of the Director
for the Year Ended 31 December 2002**

The Director presents his report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property management and consultants.

DIRECTOR

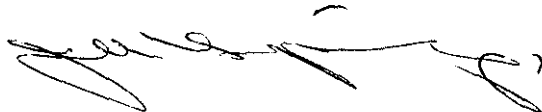
P M Terpening was the sole Director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.12.02	31.01.02
Ordinary £1 shares	51	51

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

ON BEHALF OF THE BOARD:



J M Terpening - SECRETARY

DATED: 19 October 2003

The Terpening Partnership Ltd

**Profit and Loss Account
for the Year Ended 31 December 2002**

		31.12.02	31.12.01
		<hr/>	<hr/>
	Notes	£	£
TURNOVER		<u>79,138</u>	<u>76,445</u>
GROSS PROFIT		79,138	76,445
Administrative expenses		<u>61,261</u> 17,877	<u>58,020</u> 18,425
Other operating income		<u>7,111</u>	<u>11,879</u>
OPERATING PROFIT	2	24,988	30,304
Interest receivable and similar income		<u>8</u>	<u>28</u>
		23,795	30,332
Interest payable and similar charges		<u>1,201</u>	<u>3,002</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		23,787	27,330
Tax on profit on ordinary activities	3	<u>5,725</u>	<u>4,899</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		18,070	22,431
Retained profit brought forward		<u>105,352</u>	<u>82,921</u>
RETAINED PROFIT CARRIED FORWARD		<u>123,422</u>	<u>105,352</u>

The Terpening Partnership Ltd

**Balance Sheet
31 December 2002**

		31.12.02		31.12.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		140,863		98,391
CURRENT ASSETS:					
Debtors	5	30,638		32,031	
Cash at bank		<u>1,957</u>		<u>5,346</u>	
		32,595		37,377	
CREDITORS: Amounts falling due within one year	6	<u>25,169</u>		<u>22,010</u>	
NET CURRENT LIABILITIES/(ASSETS)			<u>7,426</u>		<u>16,528</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			148,389		114,919
CREDITORS: Amounts falling due after more than one year	7		<u>24,267</u>		<u>9,467</u>
			<u>124,122</u>		<u>105,452</u>
CAPITAL AND RESERVES:					
Called up share capital	8		100		100
Profit and loss account			<u>124,022</u>		<u>105,352</u>
SHAREHOLDERS' FUNDS:			<u>124,122</u>		<u>105,452</u>

The company is entitled to exemption from audit under Section 249A (1) of the Companies Act 1985 for the year ending 31 December 2002.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

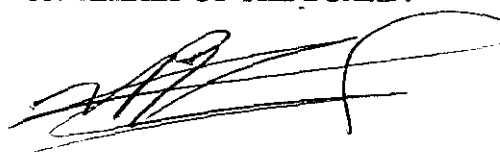
The notes form part of these financial statements

The Terpening Partnership Ltd

**Balance Sheet
31 December 2002**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Small Entities (effective March 1999).

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'P M Terpening', written over a horizontal line.

P M Terpening - DIRECTOR

APPROVED BY THE BOARD ON 19 OCTOBER 2003

The notes form part of these financial statements

The Terpening Partnership Ltd

Notes to the Financial Statements for the Year Ended 31 December 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Small Entities (effective March 1999).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 20% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.02	31.12.01
	£	£
Depreciation - owned assets	<u>138</u>	<u>138</u>
Director's emoluments and other benefits etc	<u>18,850</u>	<u>18,850</u>

3. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.12.02	31.12.01
	£	£
UK corporation tax 2002	4,564	4,899
Underprovision 2001	1,161	-
	<u>5,725</u>	<u>4,899</u>

UK corporation tax has been charged at 20% on the first £4,446 and thereafter 19%

The Terpening Partnership Ltd

**Notes to the Financial Statements
for the Year Ended 31 December 2002**

4. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	<u>£</u>	<u>£</u>	<u>£</u>
COST:			
At 31 December 2002	<u>140,034</u>	<u>829</u>	<u>140,863</u>
DEPRECIATION:			
At 1 January 2002	-	269	269
Charge for year	<u>-</u>	<u>138</u>	<u>138</u>
At 31 December 2002	<u>-</u>	<u>407</u>	<u>407</u>
NET BOOK VALUE:			
At 31 December 2002	<u>140,034</u>	<u>422</u>	<u>140,456</u>
At 31 December 2001	<u>98,109</u>	<u>560</u>	<u>98,669</u>
Additions	<u>41,925</u>	-	<u>41,925</u>

5. DEBTORS:

	2002	2001
	<u>£</u>	<u>£</u>
Trade debtors	9,177	9,866
Other debtors	1,390	536
Directors current account	<u>20071</u>	<u>21,629</u>
	<u>30638</u>	<u>32,031</u>

**6. CREDITORS:
AMOUNTS FALLING DUE
WITHIN ONE YEAR**

Bank loans and overdrafts	19,200	12,000
Other creditors	275	420
V.A.T.	1,982	2,176
Social Security & other taxes	284	1,354
Taxation	<u>3,428</u>	<u>4,899</u>
	<u>5,169</u>	<u>20,349</u>

The Terpening Partnership Ltd

**Notes to the Financial Statements
for the Year Ended 31st December 2002**

**7. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.12.02	31.12.01
	£	£
Bank Loans	<u>24,267</u>	<u>21,467</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans	<u>-</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.12.02	31.12.01
		value:	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:				
Number:	Class	Nominal	31.12.02	31.12.01
		value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

9. RELATED PARTY DISCLOSURES

During the year the company was under the control of Mr. P. Terpening, the major shareholder and director of the company.

The Terpening Partnership Ltd

**Profit and Loss Account
for the Year Ended 31 December 2002**

	31.12.02		31.12.01	
	£	£	£	£
Income:				
Sales	57,000		54,000	
Expenses	<u>22,138</u>		<u>22,445</u>	
		79,138		76,445
Other Income:				
Rents received	7,111		11,858	
Deposit account interest	<u>8</u>		<u>21</u>	
		<u>7,119</u>		<u>11,879</u>
		86,257		88,324
Expenditure:				
Directors' remuneration	18,500		18,500	
Wages	8,500		8,489	
Social security	2,017		1,477	
Telephone	1,320		1,540	
Post & stationery	41		32	
Travel & mileage expenses	15,909		18,675	
Property expenses	12,620		6,389	
Sundry expenses	741		421	
Accountancy	375		1,492	
Rent	125		<u>137</u>	
Legal Fees	<u>719</u>			
		<u>60,927</u>		<u>57,807</u>
		25,330		30,517
Finance costs:				
Bank interest				
Int on late corporation tax	72		7	
Mortgage	1,129		2,754	
Bank charges	<u>196</u>		<u>288</u>	
		<u>1,397</u>		<u>3,049</u>
		23,933		27,468
Depreciation:				
Fixtures & Fittings	<u>138</u>		<u>138</u>	
NET PROFIT	<u>23,795</u>	<u>27,330</u>		

This page does not form part of the statutory financial statements