

THE WOODHOUSE PARTNERSHIP LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2002

COMPANY REGISTRATION NUMBER 2935938



ROSS BROOKE LIMITED

Chartered Accountants & Registered Auditors
37 London Road
Newbury
Berkshire
RG14 1JL

THE WOODHOUSE PARTNERSHIP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

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THE WOODHOUSE PARTNERSHIP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The director J W Woodhouse

Company secretary V Woodhouse

Registered office Cherry Tree Cottage
Common Road
Headley
Newbury
Berkshire
RG19 8LT

Auditors Ross Brooke Limited
Chartered Accountants
& Registered Auditors
37 London Road
Newbury
Berkshire
RG14 1JL

THE WOODHOUSE PARTNERSHIP LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31ST DECEMBER 2002

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was business management, architectural and technical consultancy.

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 31 December 2002	At 1 January 2002
J W Woodhouse	<u>2,000</u>	<u>2,000</u>

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DONATIONS

During the year the company made the following contributions:

	2002	2001
	£	£
Charitable	<u>240</u>	<u>-</u>

AUDITORS

A resolution to re-appoint Ross Brooke Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

THE WOODHOUSE PARTNERSHIP LIMITED

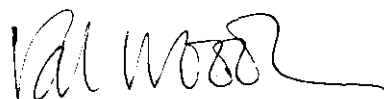
THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

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 order of the director



V WOODHOUSE
Company Secretary

Approved by the director on 30.9.03

THE WOODHOUSE PARTNERSHIP LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST DECEMBER 2002

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Director's Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

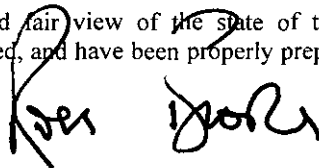
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 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 the company's affairs as at 31st December 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



37 London Road
Newbury
Berkshire
RG14 1JL

ROSS BROOKE LIMITED
Chartered Accountants
& Registered Auditors

7/10/03

THE WOODHOUSE PARTNERSHIP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2002

	Note	2002 £	2001 £
TURNOVER	2	1,866,391	955,617
Cost of sales		1,134,509	561,303
GROSS PROFIT		731,882	394,314
Administrative expenses		421,252	222,906
OPERATING PROFIT	3	310,630	171,408
Loss on disposal of fixed assets		(755)	-
		309,875	171,408
Interest receivable		4,066	8,636
Interest payable and similar charges		(399)	(906)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		313,542	179,138
Tax on profit on ordinary activities		47,038	35,653
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		266,504	143,485
Equity dividends paid and proposed		92,589	134,679
RETAINED PROFIT FOR THE FINANCIAL YEAR		173,915	8,806

The notes on pages 7 to 9 form part of these financial statements.

THE WOODHOUSE PARTNERSHIP LIMITED

BALANCE SHEET

31ST DECEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	5		191,984		8,389
CURRENT ASSETS					
Debtors due within one year	6	334,775		432,612	
Cash at bank		359,944		143,517	
		<u>694,719</u>		<u>576,129</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	<u>620,129</u>		<u>491,859</u>	
NET CURRENT ASSETS			<u>74,590</u>		<u>84,270</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>266,574</u>		<u>92,659</u>
CAPITAL AND RESERVES					
Called-up equity share capital	9		2,000		2,000
Profit and loss account	10		<u>264,574</u>		<u>90,659</u>
SHAREHOLDERS' FUNDS			<u>266,574</u>		<u>92,659</u>

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 30.9.03



J W WOODHOUSE
Director

The notes on pages 7 to 9 form part of these financial statements.

THE WOODHOUSE PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

(i) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

(ii) Turnover

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

(iii) Fixed assets

All fixed assets are initially recorded at cost.

(iv) 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:

Motor Vehicles	- 25% per annum reducing balance
Equipment	- 25% per annum reducing balance

(v) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

(vi) 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.

(vii) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

THE WOODHOUSE PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

2. TURNOVER

Overseas turnover amounted to 77.07% (2001 - 68.25%) of the total turnover for the year.

3. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001
	£	£
Staff pension contributions	1,000	400
Depreciation of owned fixed assets	2,391	2,798
Auditors' fees	3,250	3,250
Net loss on foreign currency translation	<u>9,675</u>	<u>2,073</u>

4. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Aggregate emoluments	105,768	75,755
Value of company pension contributions to money purchase schemes	<u>63,656</u>	<u>13,656</u>
	<u>169,424</u>	<u>89,411</u>

5. TANGIBLE FIXED ASSETS

	Leasehold Property £	Motor Vehicles £	Equipment £	Total £
COST				
At 1st January 2002	—	12,500	13,136	25,636
Additions	184,812	—	5,129	189,941
Disposals	—	(12,500)	—	(12,500)
At 31st December 2002	<u>184,812</u>	<u>—</u>	<u>18,265</u>	<u>203,077</u>
DEPRECIATION				
At 1st January 2002	—	8,545	8,702	17,247
Charge for the year	—	—	2,391	2,391
On disposals	—	(8,545)	—	(8,545)
At 31st December 2002	<u>—</u>	<u>—</u>	<u>11,093</u>	<u>11,093</u>
NET BOOK VALUE				
At 31st December 2002	<u>184,812</u>	<u>—</u>	<u>7,172</u>	<u>191,984</u>
At 31st December 2001	<u>—</u>	<u>3,955</u>	<u>4,434</u>	<u>8,389</u>

THE WOODHOUSE PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

6. DEBTORS

	2002 £	2001 £
Trade debtors	334,504	420,974
Amounts owed by group undertakings	—	15
Other debtors	271	11,623
	<u>334,775</u>	<u>432,612</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade creditors	321,867	201,657
Other creditors including taxation and social security:		
Corporation tax	61,405	35,654
PAYE and social security	2,805	24,267
VAT	6,323	—
Other creditors	250	43,816
Directors current accounts	4,731	35,920
Accruals and deferred income	222,748	150,545
	<u>620,129</u>	<u>491,859</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr J W Woodhouse throughout the current and previous year.

During the year goods and services of £364,990 (2001 - £142,919) were purchased from Asset Performance Tools Limited, and goods and services of £9,136 (2001 - £8,306) were sold to Asset Performance Tools Limited, a company of which J Woodhouse is a director. At 31st December 2002 The Woodhouse Partnership Limited owed £147,413 to Asset Performance Tools Limited and £10,735 was owed from Asset Performance Tools Limited to The Woodhouse Partnership Limited.

9. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
2,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

Allotted, called up and fully paid:

	2002 No	£	2001 No	£
Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

10. PROFIT AND LOSS ACCOUNT

	2002 £	2001 £
Balance brought forward	90,659	81,853
Retained profit for the financial year	173,915	8,806
Balance carried forward	<u>264,574</u>	<u>90,659</u>