

TURNKEY DESIGN PARTNERSHIP LIMITED
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 1999

Company Registration Number 1588564

CUSHING, FAIRBAIRN, WARDLE & CO.

Chartered Accountants & Registered Auditors
1/3 STERLING COURT,
LODDINGTON,
KETTERING,
NORTHAMPTONSHIRE,
NN14 1RZ.



TURNKEY DESIGN PARTNERSHIP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

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TURNKEY DESIGN PARTNERSHIP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 1999

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 1999.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of building and design services to the construction industry and project management services.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 1999	At 1 January 1999
S D S GREGORY	100	100
P C THACKER	100	100

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are 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.

AUDITORS

A resolution to re-appoint CUSHING, FAIRBAIRN, WARDLE & CO. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

TURNKEY DESIGN PARTNERSHIP LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 1999

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.

Registered office:
1/3 Sterling Court
Loddington
Kettering
Northamptonshire
NN14 1RZ

Signed by order of the directors


MRS L GREGORY
Company Secretary

Approved by the directors on 29th February 2000

TURNKEY DESIGN PARTNERSHIP LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31ST DECEMBER 1999

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, 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 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 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 1999 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

1/3 STERLING COURT,
LODDINGTON,
KETTERING,
NORTHAMPTONSHIRE,
NN14 1RZ.

29th February 2000


CUSHING, FAIRBAIRN, WARDLE & CO.
Chartered Accountants
& Registered Auditors

TURNKEY DESIGN PARTNERSHIP LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST DECEMBER 1999**

	Note	1999 £	1998 £
TURNOVER		619,998	349,985
DIRECT COSTS		(320,227)	(134,087)
GROSS PROFIT		299,771	215,898
Operating Costs		(100,537)	(63,432)
Administrative expenses		(46,957)	(35,456)
Other operating income		-	5,601
OPERATING PROFIT	2	152,277	122,611
Interest receivable		1,418	744
Interest payable	4	(692)	(1,548)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		153,003	121,807
Tax on profit on ordinary activities	5	(30,073)	(21,699)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		122,930	100,108
Equity dividends paid		(42,000)	(28,800)
RETAINED PROFIT FOR THE FINANCIAL YEAR		80,930	71,308
Balance brought forward		98,310	27,002
Balance carried forward		179,240	98,310

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

TURNKEY DESIGN PARTNERSHIP LIMITED

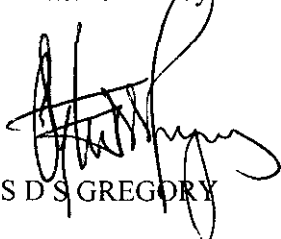
BALANCE SHEET

31ST DECEMBER 1999

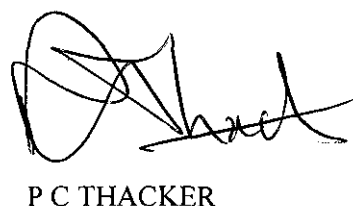
	Note	1999 £	1998 £
FIXED ASSETS			
Tangible assets	6	28,771	23,775
CURRENT ASSETS			
Debtors	7	131,679	63,943
Cash at bank and in hand		113,435	70,411
		<u>245,114</u>	<u>134,354</u>
CREDITORS: Amounts falling due within one year	8	<u>(92,142)</u>	<u>(59,403)</u>
NET CURRENT ASSETS		152,972	74,951
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>181,743</u>	<u>98,726</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	9	(2,303)	(216)
		<u>179,440</u>	<u>98,510</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	200	200
Profit and loss account		179,240	98,310
SHAREHOLDERS' FUNDS	12	<u>179,440</u>	<u>98,510</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 29th February 2000 and are signed on their behalf by



S D S GREGORY



P C THACKER

TURNKEY DESIGN PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

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:

Office Furniture	-	15% on Net Book Value
Motor Vehicles	-	25% on Net Book Value
Office Equipment	-	15% on Net Book Value

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. OPERATING PROFIT

Operating profit is stated after charging:

	1999 £	1998 £
Auditors' fees	920	-
Operating lease costs: Vehicles	<u>31,529</u>	<u>9,591</u>

TURNKEY DESIGN PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1999

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	1999	1998
	£	£
Aggregate emoluments	<u>49,578</u>	<u>41,296</u>

4. INTEREST PAYABLE

	1999	1998
	£	£
Finance charges	689	1,273
Other interest	3	275
	<u>692</u>	<u>1,548</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999	1998
	£	£
In respect of the year:		
Corporation tax based on the results for the year at 20% and 21% (1998 - 21%)	30,136	25,083
Increase in deferred tax provision (Note 9):		
Capital allowances	2,087	216
	<u>32,223</u>	<u>25,299</u>
Adjustment in respect of previous years:		
Corporation tax	(2,150)	(3,600)
	<u>30,073</u>	<u>21,699</u>

TURNKEY DESIGN PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

6. TANGIBLE FIXED ASSETS

	Office Furniture £	Motor Vehicles £	Office Equipment £	Total £
COST				
At 1st January 1999	4,571	18,000	32,360	54,931
Additions	3,898	-	11,210	15,108
Disposals	-	(18,000)	-	(18,000)
At 31st December 1999	<u>8,469</u>	<u>-</u>	<u>43,570</u>	<u>52,039</u>
DEPRECIATION				
At 1st January 1999	4,262	10,686	16,208	31,156
Charge for the year	74	457	2,724	3,255
On disposals	-	(11,143)	-	(11,143)
At 31st December 1999	<u>4,336</u>	<u>-</u>	<u>18,932</u>	<u>23,268</u>
NET BOOK VALUE				
At 31st December 1999	<u>4,133</u>	<u>-</u>	<u>24,638</u>	<u>28,771</u>
At 31st December 1998	<u>309</u>	<u>7,314</u>	<u>16,152</u>	<u>23,775</u>

Hire purchase agreements

Included within the net book value of £28,771 is £Nil (1998 - £12,158) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £Nil (1998 - £3,292).

7. DEBTORS

	1999 £	1998 £
Trade debtors	120,996	47,976
Directors current accounts	10	3,699
ACT recoverable against future taxation	-	5,744
Prepayments and accrued income	10,673	6,524
	<u>131,679</u>	<u>63,943</u>

TURNKEY DESIGN PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

8. CREDITORS: Amounts falling due within one year

	1999		1998
	£	£	£
Bank loans and overdrafts		-	288
Trade creditors		15,055	6,454
Other creditors including:			
Advance Corporation Tax	-		3,000
Corporation tax	30,136		17,883
PAYE and social security	4,620		3,291
VAT	31,916		17,912
Hire purchase agreements	-		3,750
		66,672	45,836
Accruals and deferred income		10,415	6,825
		<u>92,142</u>	<u>59,403</u>

9. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	1999	1998
	£	£
Provision brought forward	216	-
Increase in provision	2,087	216
Provision carried forward	<u>2,303</u>	<u>216</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	1999	1998
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>2,303</u>	<u>216</u>

10. RELATED PARTY TRANSACTIONS

The company was under the control of Mr S D S Gregory and Mr P C Thacker throughout the current and previous year. They are the only directors and shareholders.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

TURNKEY DESIGN PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

11. SHARE CAPITAL

Authorised share capital:

	1999	1998
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital	<u>200</u>	<u>200</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999	1998
	£	£
Profit for the financial year	122,930	100,108
Dividends	(42,000)	(28,800)
	<u>80,930</u>	<u>71,308</u>
Opening shareholders' equity funds	98,510	27,202
Closing shareholders' equity funds	<u>179,440</u>	<u>98,510</u>