

The Quality Moving Group Limited

Abbreviated Financial Statements

Year Ended

30 June 2002

Company Number: 3557921



Blueprint Audit Limited
Chartered Accountants and Registered Auditor

THE QUALITY MOVING GROUP LIMITED

Abbreviated financial statements for the year ended 30 June 2002

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Directors

M A Fleet
M D Fleet

Secretary and registered office

M A Fleet, Charnwood House, Gregory Boulevard, Nottingham, NG7 6NX

Company number

3557921

Auditor

Blueprint Audit Limited, Charnwood House, Gregory Boulevard, Nottingham, NG7 6NX

Accountants and Business Advisers

Tenon Limited, Charnwood House, Gregory Boulevard, Nottingham, NG7 6NX

Bankers

National Westminster Bank Plc, 24 Derby Road, Huyton, Liverpool, L36 9GF

**AUDITORS' REPORT TO THE QUALITY MOVING GROUP LIMITED UNDER SECTION 247B
OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 2 to 8, together with the financial statements of the company for the year ended 30 June 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

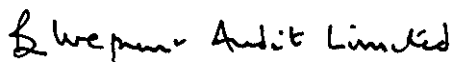
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 8 are properly prepared in accordance with those provisions.



Blueprint Audit Limited
Chartered Accountants and Registered Auditor

30 April 2003

THE QUALITY MOVING GROUP LIMITED

Balance sheet at 30 June 2002

	Note	2002		2001 As restated	
		£	£	£	£
Fixed assets					
Intangible assets	2		320,000		340,000
Tangible assets	3		581,142		503,930
Investments			213		4
			<u>901,355</u>		<u>843,934</u>
Current assets					
Stocks		11,850		15,083	
Debtors		420,755		336,903	
Cash at bank and in hand		21,215		98,162	
		<u>453,820</u>		<u>450,148</u>	
Creditors: amounts falling due within one year		<u>(672,177)</u>		<u>(520,796)</u>	
Net current liabilities			<u>(218,357)</u>		<u>(70,648)</u>
Total assets less current liabilities			682,998		773,286
Creditors: amounts falling due after more than one year	5	(563,768)		(652,580)	
Provision for liabilities and charges		<u>(18,000)</u>		<u>(9,000)</u>	
			<u>(581,768)</u>		<u>(661,580)</u>
			<u>101,230</u>		<u>111,706</u>
Capital and reserves					
Called up share capital	6		1,000		1,000
Profit and loss account			100,230		110,706
Equity shareholders' funds			<u>101,230</u>		<u>111,706</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller companies.

The financial statements were approved by the Board on 23 April 2003

MD Fleet
Director



The notes on pages 3 to 8 form part of these financial statements.

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The principal accounting policies, which have remained unchanged during the period, with the exception of the adoption of Financial reporting Standards 19, are as follows:

Turnover

Turnover represents sales accrued to outside customers at invoiced amounts less value added tax or local taxes on sales.

Group financial statements

Group financial statements have not been prepared since the company is entitled to the exemption conferred by Section 248 of the Companies Act 1985. The financial statements present information about the company as an individual undertaking and not about its group.

Depreciation

Depreciation is provided to write off the cost less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Motor vehicles	-	25% per annum reducing balance
Fixtures and fittings	-	25% per annum reducing balance

Goodwill

Goodwill arising on an acquisition of a trade is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the director's estimate of its useful economic life, being 20 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002
(Continued)

1 Accounting policies (Continued)

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19.

Leased assets

Where assets are acquired under hire purchase and finance lease contracts that give rights approximating to ownership, the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum repayments payable during the lease term. The corresponding commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Hire purchase payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002
(Continued)

2 Intangible assets	Purchased goodwill £
<i>Cost</i>	
At 1 July 2001	523,047
Prior year adjustment (note 21)	(123,047)
At 30 June 2002	<u>400,000</u>
<i>Amortisation</i>	
At 1 July 2001	78,456
Provided for the year	20,000
Prior year adjustment (note 21)	(18,456)
At 30 June 2002	<u>80,000</u>
<i>Net book value</i>	
At 30 June 2002	<u>320,000</u>
At 30 June 2001 (as restated)	<u>340,000</u>

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002
(Continued)

3 Tangible fixed assets

			Total £
<i>Cost</i>			
At 1 July 2001			964,950
Additions			228,585
Disposals			(59,734)
Reclassification			-
At 30 June 2002			1,133,801
<i>Depreciation</i>			
At 1 July 2001			461,020
Provided for the year			128,778
Disposals			(37,139)
At 30 June 2002			552,659
<i>Net book value</i>			
At 30 June 2002	490,376	90,766	581,142
At 30 June 2001	389,498	114,432	503,930

4 Fixed asset investments

	Country of incorporation	Ordinary shares at cost		Aggregate capital and reserves 2002 & 2001 £
		2002 £	2001 £	
Unlisted shares in wholly owned dormant subsidiary companies				
Southport and Formby Removals Limited	UK	2	2	2,801
FC Morgan (Removals) Limited	UK	2	2	27,607
		4	4	30,408
Unquoted trade investment		209	-	
		213	4	

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002
(Continued)

5 Creditors: amounts falling due after more than one year

Creditors include £111,702 (2001: £234,766) payable in more than five years.

Hire purchase commitments of £62,918 (2001: £84,346) falling due within one year and £55,173 (2001: £54,326) falling due after more than one year are secured on certain of the company's fixed assets.

The company has the following bank loan arrangements:

Commercial fixed rate loan repayable before 9 July 2008, interest charged at 2% above bank base rate.

Corporate loan repayable before August 2004, interest charged at 1% above bank base rate.

Assets held as security formally charged to the Bank, Comprise a First Legal Mortgage dated 7 August 1998 over Freehold property known as Land Lying to the South West of Ellis Ashton Street, Whiston, Knowsley, Merseyside, and an Unscheduled Mortgage Debenture dated 5 August 1998 incorporating a fixed and floating charge over all current and future assets of the company.

6 Share capital

	Authorised		Allotted, called up and fully paid	
	2002 £	2001 £	2002 £	2001 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	1,000,000	1,000,000	1,000	1,000

THE QUALITY MOVING GROUP LIMITED

Notes forming part of the abbreviated financial statements for the year ended 30 June 2002
(Continued)

7 Related party transactions

Transactions concerning directors

The company occupies premises owned by MA Fleet, a director of the company on a rent free basis.

MA Fleet and MD Fleet each hold loan accounts with the company; The table which follows summaries the transactions in the period:

	MA Fleet		MD Fleet	
	2002 £	2001 £	2002 £	2001 £
Maximum amount (owing to)/outstanding from the company during the year	46,869	64,396	(4,999)	(345)
Balance at 30 June	20,906	46,869	(4,999)	(345)

8 Prior year adjustment

As a result of enquiries made by the Inland Revenue the following adjustments have been made to the financial statements for the Company:

- (a) The value of the goodwill on acquisition at 1 July 1998 has been revised from £523,047 to £400,000 and the purchase price amended accordingly.
- (b) Rental income secured by the Company from incorporation for part of the warehouse let to a third party has been deemed to be income of the landlord and not the Company.

The financial statements of the Company have been restated to reflect these prior year adjustments, and the consequential effect on the amortisation of goodwill and on the taxation charge.