

Registration number 04221663

QUANTUM SPORTS CARS LTD

Directors' report and financial statements

for the year ended 31 July 2003



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QUANTUM SPORTS CARS LTD

Company information

Directors	John Sampson Rosemary Sampson
Secretary	Mrs R Sampson
Company number	04221663
Registered office	Xtreme Works Loddiswell Kingsbridge Devon TQ7 4DU
Accountants	Spence Robert Pethick Atlantic House 23 Silver Street Taunton TA1 3DH
Business address	Xtreme Works Woolston Farm Loddiswell Devon

QUANTUM SPORTS CARS LTD

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QUANTUM SPORTS CARS LTD

Directors' report for the year ended 31 July 2003

The directors present their report and the financial statements for the year ended 31 July 2003.

Principal activity and review of the business

The principal activity of the company is the design, manufacture and sale of Sports Cars in Factory Build or Kit Form

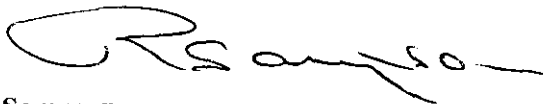
Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/07/03	01/08/02
John Sampson	1	1
Rosemary Sampson	1	1

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

This report was approved by the Board on and signed on its behalf by



Mrs R Sampson
Secretary

QUANTUM SPORTS CARS LTD

**Accountants' report on the unaudited financial statements to the directors of
QUANTUM SPORTS CARS LTD**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 July 2003 set out on pages 3 to 9 and you consider that the company is exempt from an audit. 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 supplied to us.

**Spence Robert Pethick
Chartered Accountants
Atlantic House
23 Silver Street
Taunton**

TA1 3DH

Date:

QUANTUM SPORTS CARS LTD

Profit and loss account for the year ended 31 July 2003

		2003	2002
	Notes	£	£
Turnover	2	248,311	172,473
Cost of sales		(144,168)	(99,144)
Gross profit		<u>104,143</u>	<u>73,329</u>
Distribution costs		(1,914)	-
Administrative expenses		(127,320)	(75,375)
Other operating income		-	1,000
Operating loss	3	<u>(25,091)</u>	<u>(1,046)</u>
Interest payable and similar charges		(8,603)	(7,190)
Loss on ordinary activities before taxation		<u>(33,694)</u>	<u>(8,236)</u>
Loss for the year		<u>(33,694)</u>	<u>(8,236)</u>
Accumulated (loss)/profit brought forward		(8,236)	-
Accumulated loss carried forward		<u><u>(41,930)</u></u>	<u><u>(8,236)</u></u>

The notes on pages 6 to 9 form an integral part of these financial statements.

QUANTUM SPORTS CARS LTD

Balance sheet **as at 31 July 2003**

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		1		1
Tangible assets	5		71,664		69,724
			<u>71,665</u>		<u>69,725</u>
Current assets					
Stocks		105,664		109,656	
Debtors	6	15,430		19,295	
Cash at bank and in hand		139		84	
		<u>121,233</u>		<u>129,035</u>	
Creditors: amounts falling due within one year	7	<u>(137,001)</u>		<u>(99,905)</u>	
Net current (liabilities)/assets			<u>(15,768)</u>		<u>29,130</u>
Total assets less current liabilities			55,897		98,855
Creditors: amounts falling due after more than one year	8		<u>(97,825)</u>		<u>(107,089)</u>
Deficiency of assets			<u>(41,928)</u>		<u>(8,234)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>(41,930)</u>		<u>(8,236)</u>
Shareholders' funds			<u>(41,928)</u>		<u>(8,234)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 9 form an integral part of these financial statements.

QUANTUM SPORTS CARS LTD

Balance sheet (continued)

Directors' statements required by Section 249B(4) for the year ended 31 July 2003

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 July 2003 and

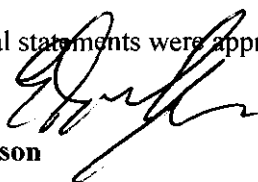
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on and signed on its behalf by



John Sampson
Director

The notes on pages 6 to 9 form an integral part of these financial statements.

QUANTUM SPORTS CARS LTD

Notes to the financial statements for the year ended 31 July 2003

1. Accounting policies

1.1. Accounting convention

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

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over years
Plant and machinery	-	5% straight line
Fixtures, fittings and equipment	-	10% straight line
Motor vehicles	-	20% straight line
	-	

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Deferred taxation

The company adopted Financial Reporting Standard 19 "Deferred Taxation" (FRS 19) during the financial year.

Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date.

Prior to the adoption of FRS 19, the company provided for deferred taxation only to the extent that timing differences were expected to materialise in the foreseeable future. The adoption of the new policy has been made by way of a prior year adjustment as though the revised policy had always been applied.

QUANTUM SPORTS CARS LTD

Notes to the financial statements for the year ended 31 July 2003

..... continued

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

Operating loss is stated after charging:

Depreciation and other amounts written off tangible assets

2003	2002
£	£
5,567	5,068

4. Intangible fixed assets

Cost

At 1 August 2002

At 31 July 2003

Net book values

At 31 July 2003

At 31 July 2002

Goodwill	Total
£	£
1	1
1	1
1	1
1	1

QUANTUM SPORTS CARS LTD

Notes to the financial statements for the year ended 31 July 2003

..... continued

5. Tangible fixed assets	Land and buildings freehold	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles		Total
	£	£	£	£	£	£
Cost						
At 1 August 2002	1	52,513	9,226	7,037	6,015	74,792
Additions	-	6,281	3,476	-	-	9,757
Disposals	-	(2,250)	-	-	-	(2,250)
At 31 July 2003	1	56,544	12,702	7,037	6,015	82,299
Depreciation						
At 1 August 2002	-	2,738	923	1,407	-	5,068
Charge for the year	-	2,827	1,270	1,470	-	5,567
At 31 July 2003	-	5,565	2,193	2,877	-	10,635
Net book values						
At 31 July 2003	1	50,979	10,509	4,160	6,015	71,664
At 31 July 2002	1	49,775	8,303	5,630	6,015	69,724

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2003		2002	
	Net	Depreciation	Net	Depreciation
	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	1,800	900	2,250	450
Equipment	1,721	1,116	2,789	558
Motor vehicles	4,818	2,864	6,250	1,432
	<u>8,339</u>	<u>4,880</u>	<u>11,289</u>	<u>2,440</u>

QUANTUM SPORTS CARS LTD

Notes to the financial statements for the year ended 31 July 2003

..... continued

6. Debtors	2003	2002
	£	£
Trade debtors	13,504	14,996
Other debtors	376	231
Prepayments and accrued income	1,550	4,068
	<u>15,430</u>	<u>19,295</u>
 7. Creditors: amounts falling due within one year	 2003	 2002
	£	£
Bank overdraft	90,001	58,569
User definable loan desc.	-	5,903
Payments received on account	1,915	(907)
Trade creditors	24,466	28,933
Other taxes and social security costs	8,012	4,003
Directors' accounts	8,657	-
Other creditors	-	3,404
Accruals and deferred income	3,950	-
	<u>137,001</u>	<u>99,905</u>
 8. Creditors: amounts falling due after more than one year	 2003	 2002
	£	£
Bank loan	90,302	98,841
Other creditors	7,523	8,248
	<u>97,825</u>	<u>107,089</u>
 9. Share capital	 2003	 2002
	£	£
Authorised		
100.00 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
 Allotted, called up and fully paid		
2.00 Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>